FOREIGN
BROADCAST
INFORMATION
SERVICE

Daily Report

East Europe

FBIS-EEU-95-167
Tuesday
29 August 1995

Daily Report
East Europe

FBIS-EEU-95-167 CONTENTS *29 August 1995*

NOTICE: This volume contains a representative selection of material previously disseminated in softcopy format.

ALBANIA

U.S.-Albanian Alliance Faces Test Over FRY *[RILINDJA 22 Aug]* 1
Skopje, Tirana Seen Forming 'Strategic Alliance' *[GAZETA SHQIPTARE 23 Aug]* 1
'Antileftism' Harms Relations With Neighbors *[KOHA JONE 20 Aug]* 2
Brozi Criticized for Appointment of Former 'Snoop' *[RILINDJA DEMOKRATIKE 27 Aug]* 3
First 20 Enterprises Ready for Privatization *[GAZETA SHQIPTARE 18 Aug]* 3
    Value of Bonds on Market Rises *[KOHA JONE 23 Aug]* 4

CZECH REPUBLIC

Klaus Discusses Wage Increases, Mortgages, Polls *[DENNI TELEGRAF 25 Aug]* 5
Competitiveness, Preparations for EU Entry *[HOSPODARSKE NOVINY 16 May]* 6
Political Scientist on Racism in Republic *[ZEMEDELSKE NOVINY 10 Jul]* 10

SLOVAKIA

Kovac Refuses To Accept Meciar's Resignation *[SME 28 Aug]* 12
Duray Considers Language Law 'Fascistic' *[SLOVENSKA REPUBLIKA 25 Aug]* 12
    HZDS Condemns Duray Comment *[SLOVENSKA REPUBLIKA 26 Aug]* 13
Hungarian-Language Weekly NAP Folds *[PRAVDA 25 Aug]* 13
Biography of State Secretary Jozef Sestak *[PRAVDA 26 Aug]* 14
Surveillance Head on Safety of Nuclear Plant *[PRAVDA 26 Aug]* 14
    Satisfactory Inspection *[SME 25 Aug]* 15
Meciar Rejects TU Confederation's Demands *[NARODNA OBRODA 26 Aug]* 15
ZRS Claims Market Economy Not Functioning *[PRAVDA 28 Aug]* 16
Plan To Lower Car Duties Seen as Anti-Czech *[SME 26 Aug]* 16

HUNGARY

Budapest 'Welcomes' Holbrooke's Autonomy Proposal *[NEPSZABADSAG 29 Aug]* 18
Tabajdi on Situation of Hungarians 'Abroad' *[MAGYAR HIRLAP 26 Aug]* 18
Horn: Restructuring Plans May Split Coalition *[Budapest Radio]* 19
    Chairman Explains SZDSZ Stance *[NEPSZABADSAG 28 Aug]* 19

BOSNIA-HERZEGOVINA

Izetbegovic Arrives in Paris for Peace Plan Talks *[AFP]* 21
Silajdzic: Government Proposes Halt to Talks *[Sarajevo Radio]* 21
Sacirbegovic Threatens To Suspend Peace Talks *[AFP]* 21
Butrus-Ghali Condemns Massacre, Demands Action *[TANJUG]* 21
UN: 'Overwhelming' Evidence of Serb Attack *[AFP]* 22
  UN Considers Military Response *[AFP]* 22
  RRF Unit Available for Action *[AFP]* 22
Bildt Promises 'Military Response' for Massacre *[Stockholm Radio]* 22
Izetbegovic Promises Retaliation for Shelling *[Sarajevo Radio]* 23
Muratovic: UN Reaction to Attack 'Immoral' *[Sarajevo Radio]* 23
Bicakcic: Attack 'Opened Fire' on Peace Plan *[Sarajevo Radio]* 24
Saudi Delegation Presents $32-Million Aid Check *[Sarajevo Radio]* 24
Shell Hits Sarajevo Hospital; Two Injured *[AFP]* 25
Serbs Resume Artillery, Tank Attacks on Sarajevo *[Sarajevo Radio]* 25
Croats Resume Shelling of Trebinje Area *[TANJUG]* 25
Bosnian Serbs Reject UN Statement on Sarajevo *[AFP]* 25
  Karadzic Accuses Muslims *[Belgrade Radio]* 25
  Mladic Proposes Commission *[Belgrade Radio]* 26
Krajisnik: Assembly To Adopt New Negotiating Plan *[SRNA]* 26
  Karadzic Urges 'Favorable View' *[AFP]* 27
  Assembly Endorses U.S. Plan *[SRNA]* 27
  Joint Delegation to Future Talks *[SRNA]* 27
Krajisnik on Krajina's Fall, Peace Negotiations *[Banja Luka TV]* 28
  On Prospects, Bildt Talks *[NIN 25 Aug]* 28
Serb Socialists Condemn Sarajevo Shelling *[Belgrade Radio]* 32
Serb Official: Muslims Shell Sarajevo Hospital *[Belgrade Radio]* 32

CROATIA

Tudjman Calls For Legislative Elections *[AFP]* 34
Granic Sends Condolences to Sacibegovic *[Zagreb Radio]* 34
General Cermak Explains Situation in Knin *[VJESNIK 21 Aug]* 34
  Departure of Knin Serbs Banned *[TANJUG]* 37
Helsinki Committee Chronicles Human Rights Abuses *[TANJUG]* 37
  SSS President on 'Crimes' *[TANJUG]* 38
  TV Crew Visits Krajina Sites *[Hilversum TV]* 39
Army Violates Cease-Fire in Western Baranja *[TANJUG]* 40
300 Non-Serb Expellees Arrive From Banja Luka *[Zagreb Radio]* 40

THE FORMER YUGOSLAV REPUBLIC OF MACEDONIA

Daily Views Albanians' Letter to Clinton *[NOVA MAKEDONIJA 28 Aug]* 41
Article Assesses Albanian Minister's Visit *[PULS 25 Aug]* 43
Serbs Criticized for Sending Refugees to Kosovo *[FLAKA E VELLAZERIMIT 17 Aug]* 45

POLAND

Daily on UN, NATO Reaction to Shelling *[ZYCIE WARSZAWY 29 Aug]* 46
Restructuring of Presidential Chancellery Expected *[ZYCIE WARSZAWY 29 Aug]* 46
Dailies, Politicians Comment on Wachowski's Fate *[Editorial Report]* 46
Commentary: Walesa Becoming Alienated *[ZYCIE WARSZAWY 28 Aug]* 48
Walesa Interviewed on Past Term, Election *[Brussels LE SOIR 26-27 Aug]* 48
ZChN Chairman on Support for Gronkiewicz-Waltz *[TRYBUNA 28 Aug]* 49

Campaign Committees Criticize TV Coverage 50
  Accusation From Kuron Supporter *[RZECZPOSPOLITA 26-27 Aug]* 50
  Complaints From Kwasniewski Backers *[GAZETA WYBORCZA 29 Aug]* 50
Russian Prosecutor's Request Involves Bank Laws *[RZECZPOSPOLITA 28 Aug]* 51
Finance Ministry on NBP Balance Sheet *[NOWA EUROPA 26-27 Aug]* 52

ROMANIA

Melescanu Views Country's Role in Peace Process *[ADEVARUL 24 Aug]* 53

SLOVENIA

Peterle Fears Open Opposition to EU Membership *[Vienna KURIER 28 Aug]* 54

YUGOSLAVIA

Federal

Jovanovic: West Coresponsible for Krajina Aggression *[Berlin BERLINER ZEITUNG 23 Aug]* 55

Serbia

DS Head: Karadzic, Mladic Should Agree or Resign *[VECERNJE NOVOSTI 27 Aug]* 55
New Democracy Leader on Options for Krajina Serbs *[NASA BORBA 25 Aug]* 56
Minister Says Privatization Serbian Priority *[TANJUG]* 56
U.S. Peace Initiative's 'Decisive Stage' Viewed *[TANJUG]* 57

Montenegro

Croatian-Bosnian Serb Cease-Fire Talks Canceled *[AFP]* 58

Kosovo

'Over 6,000' Serb Refugees Settled in Province *[Tirana TV]* 58

U.S.-Albanian Alliance Faces Test Over FRY

AU2808145295 Tirana RILINDJA in Albanian 22 Aug 95 p 2

[Commentary by Qemal Aliu: "Will This Ally Change?"]

[FBIS Translated Excerpt] The Albanians are famous throughout the world for their loyalty, hospitality, and generosity, all civilized traits. Unfortunately, in the course of history others have been able to abuse these characteristics of ours and to revenge themselves against our people many times over. Historical sources show that the arrival and settlement of the Slavs in these ancient Albanian territories in the 12th and 13th centuries was a result of the hospitality, kindness, not to say naivety of the local people. Because the Slavs arrived poor and wretched, or rather pretended to be so, and sought mercy and shelter, the hospitable and civilized local population welcomed them into their homes with open arms and offered them bed and board, while the next morning their guests woke up to announce, "This house is now mine!" [passage omitted]

It is a fact that all the friendships and breaches of friendship between the Albanians and their allies have in one way or another had something to do with the Serbs.

It is worth mentioning this fact for a simple and practical reason. One wonders whether the United States will change its principled stand so far toward Albania and the Albanians in general, when matters are coming to a head and U.S.-Serbian Government contacts are becoming more frequent, especially over a settlement to the problem of Bosnia. Warnings that sanctions against Serbia, the aggressor and occupier, might be lifted indeed do not sound promising, when one realizes what massacres the Serbs have carried out in Bosnia and when Kosova and the Albanian people are also held in subjection.

However encouraging sounds the demand of Republican Senator Bob Dole that the removal of sanctions against Serbia and Montenegro must be conditional on solving the issue of Kosova, it seems more a "lament" over what in fact may happen, because it is well known that it is government decisions that decide the fate of U.S. international policy.

It is also a fact that the U.S. Government cannot in any way complain of the orientation and "loyalty" of the Albanian state, government, and people, and their fidelity to the cause of democracy and American and Western European civilization. There are even signs that no other state or people of the East have shown themselves so generous and openhearted toward American and West European demands for the establishment of democracy. It might even be said that the demands and commitments of the Albanians themselves have been more radical in this direction than those of the West. Will this excessive "devotion" of the Albanians and their unreserved attachment to their new ally be repaid at a certain time, when perhaps U.S. and Serbian interests will be more closely intertwined, in a manner similar to what has already happened to the Albanians' allies several times in the course of history?

The first serious test of the Albanian-U.S. alliance and friendship is precisely occupied Kosova, over which "swords must cross." If the United States, Germany, and the other Western allies show that this time they will not be "flatterers" and "self-seekers" like the Albanians' earlier allies, but will determinedly take the side of justice and of the occupied, oppressed, and abused Albanians, by making the lifting of sanctions against Serbia and Montenegro conditional on a solution to the problem of Kosova, then justice will be established for the first time in history, and the Albanians will no longer feel "orphaned." Then the Americans and the West Europeans will have an opportunity to experience directly what an Albanian's friendship and loyalty mean.

Skopje, Tirana Seen Forming 'Strategic Alliance'

AU2808135195 Tirana GAZETA SHQIPTARE in Albanian 23 Aug 95 p 3

[Article by P. Re: "Skopje and Tirana—Together in the Case of War in Kosova"]

[FBIS Translated Text] Tirana—Tirana and Skopje will be together if the flames of war spread to Kosova. "Albania and Macedonia [The Former Yugoslav Republic of Macedonia—FYROM] will draft a joint strategy in case the conflict spreads toward the south of the Balkans." This strong assertion, confirmed by one of the largest news agencies, has made an impression in international diplomatic circles, which are increasingly preoccupied with a solution to the Balkan crisis, a solution that, nevertheless, still seems remote. Sources state that the report was also confirmed by diplomatic sources in Skopje only one day after the Albanian foreign minister's mission to the Macedonian capital. Tirana and Skopje reached an agreement in principle immediately after Belgrade's decision to settle in Kosova refugees from Krajina, in numbers now reported to have reached 3,000.

Diplomatic negotiations between Tirana and Skopje began on Monday [21 Aug] with a meeting between Alfred Serreqi and his Macedonian counterpart Crvenkovski. They expressed satisfaction at the bilateral cooperation between the two countries' governments, but also stressed the need to establish this cooperation within a legal framework. "Albania and Macedonia have an important role for stability in the Balkans," Serreqi declared at the meeting. The situation in the region was one of the points for the discussions that were held behind closed doors. The Albanian delegation also held a similar meeting with the leaders of the political parties of the Albanians in Macedonia. Regarding the Albanian problem, Serreqi drew attention to the fact that Skopje will only be stable if efforts are made to satisfy the demands of the Albanians there. Macedonian Prime Minister Branko Crvenkovski for his part has sent an invitation to his Albanian counterpart Aleksander Meksi to pay a visit to Skopje soon.

While Skopje confirms its efforts for a strategic alliance with Albania in favor of Kosova, different news comes from Athens: no danger to Kosova. Bratislava Morina, the Yugoslav minister for refugees who has been on an official visit to the Greek capital since yesterday, has hastened to calm public opinion by stating that "The transfer of Serbian refugees to Kosova will not affect the province's demographic composition." She said that the fear of a new awakening of interethnic hostilities was "groundless," and ruled out any spread of the conflict to Kosova.

'Antileftism' Harms Relations With Neighbors

AU2808132795 Tirana KOHA JONE in Albanian 20 Aug 95 p 4

[Article by Gavrosh Levonja: "Antileftism Threatens Relations With Neighbors"]

[FBIS Translated Text] One undeniable achievement of our foreign policy has been its thorough opening up, breaking the fetters of the self-isolation that had turned the country into a planet of its own within Europe.

However, the return of former communists to power in almost all the countries of the East, including our neighbors, has prompted a somewhat negative response in our policy. It seems that circles in Tirana are not pleased by what has happened in these countries, and this has willy-nilly been reflected in a kind of chill in relations with these countries. All this stems from the fact that the members of our government apply to other countries too the allergy they feel toward the Albanian Socialists, even though they have continually stated that "The Albanian Socialists are not like the Hungarians or the Poles, and have nothing in common." Contacts with these countries have thus undergone a noticeable shrinkage, evident also in the absence of summit meetings. One cannot fail to mention the role of the official mass media, primarily ATA and Albanian Radio-Television, which either reflect or are influenced by official attitudes in the way they report information from these countries.

An example is the Bulgarian Socialists' idea of reviving the cooperatives of communism, which, after being reported by ATA and Albanian Radio-Television, was used by senior government officials as part of the propaganda against the Socialists in Albania. However, the truth about this matter is utterly different. The difference between the Socialist majority in the Bulgarian parliament and president Zhelev lay in some restrictions connected with the way land will be sold, in which the Socialists were guided by the idea of creating conditions for a voluntary association of small farmers' units. However, since the Bulgarian Socialists assumed power, there have not only not been any top-level visits, but our officials twist their mouths and say, "Tut-tut, Socialist Bulgaria," whenever the new prime minister Videnov and his cabinet are mentioned.

However, they forget that the road to friendly Turkey passes through Socialist Bulgaria. Above all, when it comes to multilateral meetings, our chilliness leads Bulgaria to take the side of our opponents.

More or less the same thing happened in the case of Hungary a few days ago. One edition of a news broadcast included a commentary pointing out the failures of the Hungarian socialist government, its problems with the trade unions and with employers, and the discontent that this has caused among the people, in a word its disaster, without saying anything about the 5 percent growth in the economy that puts Hungary in the foremost rank in Europe, the total freeing of prices, the high rates of bank interest that have made Hungary the favorite country in East Europe for foreign investors. During the last year alone, foreign investors have poured more than $1 billion into Hungary, and they have invested more than $476 million in the first months of this year alone.

The socialist Gyula Horn has also still not contacted his counterpart Meksi, although he was once the foreign minister of the government that removed the barbed wire from the border with Austria and helped the East Germans to cross to the West. The fact that Hungary is in the hands of this government of former communists should not lead us to forget that we are tied to Hungary by common political interests in the region. These have even been the reason for signing a military agreement not long ago, while Hungary has also now issued a statement against the settlement of Serbian refugees from Krajina in Vojvodina, where a Hungarian minority lives.

The "party virus" is also jeopardizing Albania's relations with Italy. One of the Democratic Party leaders announced on his return from Italy that "relations with Italy will develop further if right-wing forces win." According to this logic, if political parties of different hues are in power in Italy and Albania, relations between the two countries must be reduced to a minimum level. The same might happen to our relations with our Balkan neighbors, where socialists, communists, or former communists are currently in power, even though it is striking that Albanian politicians, despite their coldness toward the 36-year-old Videnov, are showing sympathy toward longstanding veteran communists such as Gligorov, Tudjman, and others. It suffices to dwell on relations with Greece to realize that party prejudices should not influence relations between states. The Socialists were in power in Greece last year, and remain so today.

Antipathies and propaganda in the negative sense against countries where left-wing governments are in power, especially in East Europe, could have a boomerang effect. For objective reasons, these countries are running far ahead of us in almost every field, especially where integration in Europe is concerned. Not only Poland and Hungary, but also Romania and Bulgaria are further ahead than we are. Thus, when we see that we may turn out to be the Westerners' last choice (nobody is interested in you when electricity, water, telephones, and roads are still doubtful), the Albanians, who are not used to searching deeply for causes, might say, "To the devil with all the reforms, if socialists in other countries are overtaking us."

Brozi Criticized for Appointment of Former 'Snoop'

AU2808133195 Tirana RILINDJA DEMOKRATIKE in Albanian 27 Aug 95 p 1

[Article by Ermal Dibra: "Brozi's Old Accomplices in New Jobs"]

[FBIS Translated Text] We have learned that Zef Brozi has selected as chief secretary of the Court of Cassation Ndue Marku, also known as Nikollin.

Who is Ndue Marku? This snoop, after graduating from the Sigurimi school in July 1987, worked in the former Ministry of Internal Affairs until December of the same year. Between December 1987 and March 1990, he worked as an officer in the prime minister's office responsible for the security of the leadership. Between 1990 and 1993, he was in the Burrel Public Order Commissariat, which he left as a result of the enforcement of the criteria of the reform.

Brozi alone and those who recommended Marku to him know why he should choose a former senior Sigurimi cadre as chief secretary. However, it is an indisputable fact that the President of the Court of Cassation has not observed the criteria for the appointment of a suitable person to such a high institution of Albanian justice.

Mr. Brozi, for his perverted aims as a judge, inevitably needed close to him a specialist employee for the enforcement of his policies in this court. This is the reason why he has gathered round himself former snoops like Nikollin (Ndue Marku). But he is not the only one. This is why Brozi has not troubled to seek references for this former snoop, to see whether he met the criteria for the post of chief secretary, especially because Ndue Marku was issued with a threat of dismissal for lack of discipline when he was working at Burrel. A past spent in the anterooms of the dictatorship is not the only thing connecting Ndue Marku with Zef Brozi. They also have family ties, because Ndue's brother is married to Zef's niece. Broz's nepotism in the Court of Cassation is extremely visible, as we will report on another occasion.

We have the right to wonder why Mr. Brozi surrounds himself with such people who faithfully served in the former State Security Service. Can a person of this kind become chief secretary of the Court of Cassation, such a senior institution of the Albanian judiciary?

Mr. Zef Brozi, once the most determined supporter of Chairman Nano's arrest, knows all these things! We ask whether the defense of Brozi being mounted by ZERI I POPULLIT is connected with the past of his colleagues?

First 20 Enterprises Ready for Privatization

AU2808142595 Tirana GAZETA SHQIPTARE in Albanian 18 Aug 95 p 5

[Article by P. Re: "Privatization of Enterprises Starts—Vouchers Will Be Turned Into Stocks"]

[FBIS Translated Text] Tirana—Albania is preparing to launch completely into the privatization "dance." "The first 20 enterprises to be privatized with vouchers are ready. They will become stockholding companies," Deputy Prime Minister Dylber Vrioni said yesterday. This is the second and perhaps the most important major step on the long road to privatization after the distribution of bonds to the former victims of persecution and to senior citizens. Meksi and his cabinet were involved in a meeting yesterday, examining the statistics that will allow former landowners to be compensated with land on the coast. "We have the necessary knowledge, and we are in a position to see more accurately what requires compensation," the prime minister said on television yesterday immediately after the meeting of the Council of Ministers. The meeting created commissions that will urge forward the privatization of the coastline.

Vrioni, accompanied by Niko Glozheni, chairman of the National Privatization Agency, described to the public at a news conference the contents of the new phase of privatization. Glozheni also described the procedure for the creation of stockholding enterprises. According to him, the list of the first 20 enterprises that will be subject to mass privatization will be published next Monday [21 August]. New bodies called Registration Centers will start to operate in every district of the country. At these offices, citizens wishing to obtain shares in the enterprises to be privatized will register at these offices. The sum in bonds they register will decide the price at which the enterprise will be put up for auction. The shareholders will subsequently receive the share of the profit belonging to them on the basis of the amount in bonds that they have invested.

Vrioni also reported preparations to create two other important institutions: an investment fund and a stock exchange. The deputy prime minister said that preparations for creating the legal framework for the investment fund have been completed, while for the stock exchange they are still continuing.

Value of Bonds on Market Rises

AU2908114295 Tirana KOHA JONE in Albanian 23 Aug 95 p 11

[Article by Aida Kastrati: "Bonds Far From Their Real Value"]

[FBIS Translated Text] The transition from a socialist to a private economy is based on the very important principle of producers meeting the needs of consumers on the market through supply and demand. Specialists have believed that the massive privatization of the economy will provide the impetus to create a society on this model.

The privatization of the state sector occupies a place of special importance. It has inevitably led to privatization with the help of bonds as the sole method that does not lead to such economic problems as inflation and as an effective way of compensating the toil and sweat of our people during the entire period of the socialist development of the economy. Data show that 1,355 units were privatized in the first seven months of 1995, and, most importantly, 80-85 percent of them were privatized with the help of bonds. The decision to distribute the bonds to different age groups according to a ratio of 1, 1.5, and 2 has also had this effect. Data from specialists show that so far 1 million people have been given privatization bonds. They will take part in the massive privatization, if they do not sell their bonds.

The only purpose of these bonds is the privatization of state property and nobody can force us to think that these bonds are not worth 100 percent of their value.

Nevertheless, what does the market say, where there is a great difference between the bonds' market and nominal values?

What is the reason for this? Is it ignorance or poverty? Do people not trust this new way of developing the economy? Or does a clear strategy for bonds still not exist?

It is true that, as in the case of every market price established by the relation between supply and demand, the primary law of the market economy holds good here. The fact that there has been a rise in the value of privatization bonds on the market show that the aforementioned questions will perhaps lose their meaning.

When we receive a privatization bond into our hands, we immediately say, "What will we do with it?"

We can sell these bonds, buy them, or keep them with the intention of later turning them into shares in an enterprise, where they will regularly earn dividends to be announced by the enterprise's board of directors. The size of this dividend will depend on many factors, such as the proportion of the capital represented by the privatization bonds held by a physical individual or legal entity, the profitability of the enterprise, its organization and management, etc. We have learned from conversation with specialists of the Finance Ministry that all citizens in all districts of the country will have equal opportunities of using these bonds. Auction blocks will be created in all districts of the country, where all citizens will be equally treated. The problems connection with privatization bonds, a stock exchange, an investment fund, and the use of bonds are complex and still obscure to us, which means that state authorities and the specialists involved with this aspect of the transition must be obliged to analyze and clarify them.

Klaus Discusses Wage Increases, Mortgages, Polls

AU2808192895 Prague DENNI TELEGRAF in Czech 25 Aug 95 p 3

["Regular" interview with Czech Prime Minister Vaclav Klaus by Tomas Chalupa in Prague on 24 August: "The Government Is Not Striking at Inflation by Raising Wages"]

[FBIS Translated Text] Today, in the regular interview with Czech Prime Minister Vaclav Klaus, we discuss, among other things, the risk of inflation growth following the government agreement to "dissolve" several billion korunas in the economy. Other topics are the issuance of mortgage credits and the growth in popularity of the Czech Social Democratic Party as indicated by the latest surveys of voters' support.

[Chalupa] When the parliament, so to say, dissolved most of last year's budget surplus in the economy, voices were heard saying that it would incite inflation growth. Is there a similar risk now, when the government has approved wage increases in several sectors?

[Klaus] It is not that significant by how much the wages will increase per se or how many billions of the state budget are spent, but rather what the general situation in the economy is like, what is the overall relationship between supply and demand. When I refer to a great growth of economy, I have the growth of supply, production, in mind, and it is only logical that it must equal the growth on the other side of the equation, that is, on the demand side. The state dissolved several billions precisely because the state-budget tax revenues increased thanks to the acceleration of the economic growth and because there is not a slightest reason for the state to stockpile the money. It really is no assault on inflation.

[Chalupa] Despite the support for the mortgage credits on the part of the state, it seems that this method of dealing with the housing issue will remain inaccessible for most citizens. How could the state contribute to solving this problem?

[Klaus] I believe that, for political reasons, a completely false campaign has been conducted regarding this issue. I keep explaining this, I keep saying that it is very easy to achieve a market balance in goods for daily use. The market balance in bananas and oranges that was attained really just a few days after November 1989 can serve as an example. A little more complex, but also very fast, is the creation of a market balance in what one in economic terms calls durable goods; I mean washing machines, fridges, or furniture. Of course, it is hardest to produce a balance in the housing market. To sum it up, here we are dealing with things that take much longer to produce, and also things that are very expensive, for which one does not—or only a marginal few people do—have ready financial means. It is absolutely clear that we all have to borrow money for housing, we must go into debt. It is also clear that we must save for it, that it is a long-term affair in every country in the world, i.e. also in the Czech Republic. If someone believes that it can be otherwise, he is very wrong. A number of elements of state support have been generated—be it home ownership saving plans or state support for mortgages—and it is evident that we all have to make money for housing or, I repeat again, get into debt. My sister-in-law emigrated to Australia after 1968, and she has a 40-year mortgage on her very simple little house, and she will be paying it off for many years to come. My sister who emigrated to Switzerland after August 1968 has a tremendous debt outstanding on her house. The idea that it could be otherwise here is completely erroneous and politically harmful, hostile, and unfair. Let us comprehend that this is a market in which a balance of production from the civic vantage point will take some time, albeit from the economic vantage point it has been attained. Undoubtedly, the purchasing power-backed demand equals the supply, but I realize that this is a statement that would not satisfy anyone.

[Chalupa] The latest public opinion surveys indicate almost equal support for the Civic Democratic Party [ODS] and the Czech Social Democratic Party [CSSD]. How do you feel about this outcome?

[Klaus] First, in all these surveys, with their arbitrary errors and month-to-month differences, I still see the ODS several points ahead of the CSSD. I have a feeling that it is almost logical after three years of government and a year prior to elections. The third year is generally the time when the government party is the worst off, and an overwhelming majority of the media—and our television is an ideal example of this—give much greater space to the opposition for criticism than to the government side for the defense of its positions. I do not recall having been able to complete a sentence in any of the main news broadcast of our major television stations. After just a few words, the presenter will complete it for me in his commentary and in his perception of the issue. I note that [CSSD Chairman] Zeman can complete his sentences, and even several of them in a row. I hope, however, that the Czech citizen is a rational thinker. I hope that this rational citizen cannot swallow these dreams of the return to a social state, if not socialism, of reuniting with Slovakia, dreams of much greater support for education, health care, and similar things, without ever saying where to get the funds, and to the detriment of what could these dreams be realized.

[Chalupa] The health minister is negotiating with the College of Physicians. Is it true that you oppose such negotiations?

[Klaus] In my opinion, it is obvious that, at this time, the health minister has room to negotiate and that the entry of the prime minister into such specific negotiations must be understood as a completely nonstandard, extraordinary phenomenon. I see no reason why I should do something like that at this time.

Competitiveness, Preparations for EU Entry

95CH0289A Prague HOSPODARSKE NOVINY in Czech 16 May 95 p 11

[Report by Vladimir Brabec and Marie Volkova on HOSPODARSKE NOVINY discussion group addressing competitiveness and preparations for entry into the European Union]

[FBIS Translated Text] *Low labor productivity and its influence upon the capability to compete upon entry into the EU became a topic for a roundtable discussion organized by HOSPODARSKE NOVINY in which economists Robert Holman, Kamil Janacek, Tomas Jezek, Jan Klacek, Vaclav Kupka, and Milos Pick participated.*

[Jezek] Concern regarding productivity is the primary concern of every enterprise. Enterprises must see to it that they have the highest possible productivity. The most deceptive question being posed is one that asks what the government should do to see to it that productivity in the Czech Republic is at the highest level. The first thing the state should do, and which no one else can do, is to have a high-quality currency that is a universal instrument. This is succeeding. Our currency is constantly expanding the spectrum for holders of the Czech koruna. And the word "we" is also deceptive. There is no longer any "we." We have a quantity of private enterprises, some of which are doing well, some worse, and some poorly.

[Kupka] The fact remains that productivity in this country is low. But it has already been known for 150 years that a difference in productivity itself does not constitute a reason for difficulties being experienced in foreign trade. In other words, even a less-developed economy with lower productivity can successfully prevail in competition in foreign markets. Of course, as far as entry into the EU is concerned, the situation is more difficult. But it would seem that our obsolescence is not so great that it would have to be viewed as a fateful situation that we are incapable of mitigating over the course of several years in order to prevail without major difficulties.

[Pick] Our obsolescence is a matter of rank. No matter how inaccurate international comparisons may be, we stand at the level of one-third of the productivity that exists in the EU. In the long run, our capability to compete depends on productivity and on catching up with the developed nations. I include the technical-economic level and quality under productivity. This is not only a matter of a ton of product weight, but of the quantity and completeness of outputs per unit of input. Temporarily, the capability to compete can be assisted by keeping wages lower in comparison with the appropriate productivity level. But the falling behind in wages must be deeper than the falling behind in average productivity, and the rate of exchange must be substantially lower than the parity of purchasing power. These are not just temporary transformation cushions. They are only being temporarily expanded as a result of the transformation. Similar cushions exist in all less-developed countries. But standard cushions are not enough. There is a need for additional specifically selective assistance based on state economic policy.

[Jezek] When I said that the state is obligated to provide a good currency, I did not mean to say that there was a problem with the rate of exchange and its distance from the parity of purchasing power; I meant that the currency was a universal instrument of choice. This currency is all the more perfect by dint of offering a larger fan of selection to every holder of the koruna and, thus, also provides an opportunity for greater productivity. In the foreseeable future, the koruna will be usable essentially in support of all possible operations. This is an opportunity, and every economic entity must grasp it. The essential and effective step toward achievement of higher productivity lies in the fact that the country has knowledge and entities that will know how to utilize it. If this were not the case, then no currency is worth anything.

[Holman] Productivity is an indicator that cannot be utilized either for purposes of business decisions or for purposes of making decisions pertaining to the national economy. If an investor is considering whether to invest in one enterprise or another, he cannot be guided by productivity of labor. He cannot be guided by the quantity of products produced by one worker, or by several products produced per hour of labor in the enterprise. He is interested in how his capital will be valorized. When he compares various economies, he cannot compare them only from the standpoint of labor productivity, but, at a minimum, on the basis of the importance of the effectiveness of their work and their capital. It makes sense to utilize the indicator of labor productivity in cases where we are comparing how labor productivity is developing—that is, how output per hour of work is developing—with how remuneration for this work, wages, are developing in the same enterprise or branch or in the economy within a specified time frame. And to the extent that productivity is running ahead of the growth of wages, the competitiveness of the enterprise, the department, or the economy will increase. And if the opposite is the case, then competitiveness will be declining.

[Klacek] The term productivity can be expanded to apply to all production factors, and it is not possible to unilaterally focus only on labor and capital. Particularly in our case, other factors such as energy and material enter into the game. This economy stands outside of balanced conditions, particularly where the inputs of energy and capital are concerned, and particularly, also, in the processing industry. In this connection, it is suitable to utilize the concept of so-called cumulative productivity, where all factors that affect the production process and the output at its end are taken into account. For the businessman, at the micro as well as the macro level, it is then necessary to compare the aggregate of inputs with total output.

[Janacek] Analyses confirm that there are great differences in the Czech economy. Departments and branches differ with respect to their shares of successful, less competitive, and noncompetitive enterprises. The same is true for the EU. Let us not have any illusions about the fact that 15 countries of the EU form a homogeneous unit. Differences between the average and Greece or Ireland are greater in some aspects than differences in the Czech economy. And this year's addition of three new members has resulted in exacerbating the differences between the weakest member states of the union and the peak. During the course of our transformation over the past two or three years, the process of catching up with developed West European economies has begun.

[Holman] In the question of entry into the EU, we sometimes run up against a notion that we should perhaps be prepared for this entry in terms of comparable economic efficiency. This notion is a false one because competitiveness does not depend only on economic efficiency, but also on the level of wages. If the EU is joined by an economy that has low labor productivity and at the same time has low wages, then this economy is competitive and makes use of the advantages of the free market. As its productivity gradually increases, its wages will be gradually increasing. In this sense, we need have no fears at all that entry into the EU would mean any kind of economic shock for us.

In connection with the gradual approach of our domestic price level to the world level, in connection with the gradual deflation of the so-called transformation cushion created as a result of the undervaluation of the koruna rate of exchange in comparison with the parity of purchasing power, the competitiveness of those exporters who make use of price competition, particularly, particularly is diminished. These are clearly exports more demanding of raw materials than of qualified work.

This will have a structural effect, because the comparative advantage enjoyed by exporters who utilize only prices and who are acquiring foreign markets only on the basis of price competition will be gradually evaporating. In exports, those exporters who must compete outside of price competition through the quality of their products and through the knowledge of local markets will be asserting themselves on an increasing scale. This will bring about a structural change in our exports and in our economy, which is something some of our economists have been calling for and which our ecologists will welcome.

[Klacek] In my judgment, entry into the EU will be connected with a relatively large restructuring of the Czech economy. In view of the fact that the structure of exports today is oriented predominantly toward the markets of the EU, this structure has, to a significant extent, detached itself from the structure of resource facilities in that economy. It evidences a relatively high share of components having the character of semifinished products or even raw materials which are processed in the first phase and have a relatively small share of products from the processing industry, which has traditionally been ,and still is, the backbone of this economy. A new dimension is the development of services, a development that has played a positive role in recent years. Nevertheless, transformation in the traditional processing industry is still ahead of us and will undoubtedly accelerate as a result of the preparations for this entry. The countries of the EU are very deliberately orienting themselves toward the creation of various developmental programs, particularly in the branches of so-called high technology. Our economic policy over the past five years has deliberately not attempted to try anything similar, but does not even wish to orient itself toward similar projects and programs. According to the most recent data I have seen, UN statistics indicate that in our exports for 1993 the products that are based on a high level of scientific-technical input accounted for a share of about 6 percent. For purposes of comparing similar data for Hungary, this figure approaches 10 percent.

[Pick] For a certain time, we can be competitive at the expense of lower wages and the difference in the rate of exchange and parity, but our adaptation to the EU must begin immediately, not only within the system but primarily in terms of competitiveness. We cannot enter upon integration overnight at a random level of productivity and based on protective cushions. However, experience indicates that our average productivity should be at least one-half that of the peak EU economies, and its dispersion should be such that the ratio of the rate of exchange to parity of 1:5 would be sufficient to overcome it. Today, we are at a ratio of 2:5. The adaptation period should be adequately long—one or two decades. It is already clear today that progress will be made at two velocities, and that monetary union is for us the music of the future.

[Kupka] The process of adaptation that awaits us prior to entry constitutes pressure that our manufacturers will perceive at the pace at which the transformation cushion is deflated. It will lead our manufacturers to begin restructuring. The conflict is whether the government should assist in the process of restructuring with a certain structural policy that would help the manufacturers or departments that we believe are at a comparative advantage. I contend that no government, no research institute, no institution above the enterprise level is capable of finding out in what areas and production processes the economy's long-term comparative advantages lie. This can be found out only by the businessman. If this takes place at a supraenterprise level, we are threatened with the danger of bad decisions, investments, and the deformation of the economic structure.

[Janacek] I would like to refer to the conclusions drawn by the prestigious study of the World Bank, which analyzed the influence of economic policy on the growth of developing countries. The conclusion of this study is that rather than a deliberate structural policy, assistance was had through deregulation, strengthening of competitiveness, support for exports, and support for education. Although it is true that for the Czech Republic, in contrast to Hungary and Poland, the association agreement is asymmetrical, perhaps acting to our so-called benefit. But we cannot derive a real benefit from this, because the association agreement compels us to adapt more rapidly than the others, who have higher customs barriers. In the present situation, it would be a national economic error to say that we should protect the economy more than it was protected, say, last year and to protect it through the use of instruments other than those currently in use.

[Klacek] Integration, primarily capital integration with countries of the EU, which can be anticipated to a far greater extent after entry, essentially means greater interconnection between all economic processes in the entering countries with the entire group. This unit is exposed to certain changes in the world economy, primarily involving the triangle of the economies of Japan, the United States, and Europe. Economies that are integrated must prepare to have their individual enterprises mercilessly exposed to shocks. This is a matter of having the measure of adaptability by enterprises be at a higher order of magnitude than is the case at the present. This requires other considerations, particularly on the part of businessmen and governments and by other institutions.

[Jezek] I firmly believe that the requirement of adaptability is one of the primary requirements levied upon an economic system. If the Czech economy surprised me with anything, it was its great adaptability. This is an argument against any kind of so-called industrial policy, because that policy predetermines certain structures. Adaptability cannot directly tolerate any such thing. It could undermine adaptability. I have always perceived entry into the EU as something opposite. After all, we are joining because this will eliminate problems. I do not believe we would be tossing our problems at someone else. We are convinced that our businessmen will benefit from expanded opportunities for choice. The market will expand and opportunities for communicating with mature countries will expand also.

[Kupka] I am encountering complaints by delegates from neighboring countries who say that, thanks to our comparative advantages, their businessmen are shifting production to this country. I want to use this to document the fact that it is not true that only we will have problems resulting from entry into the union. Problems of restructuring, for example, will also exist on the other side, so that there will be costs and benefits of integration on both sides.

[Janacek] The need to adapt the Czech economy to a higher degree of efficiency does not depend on whether we become members of the EU in seven or 15 years. Economic entities must adapt to conditions without regard as to whether we shall be living in the EU or at its margins for a certain period of time. Any kind of attempts to negotiate certain protective conditions for a certain time would be a retarding factor. Voices are growing that refer to the high costs on the part of the EU in the event of the possible entry of the four countries from central Europe. However, there are also certain computations that indicate that expansion by the addition of these countries would have a dynamic effect. I tend to favor more the idea of a two-speed entry. We need free trade, but I do not believe we need a currency union. There is no need to hurry into the EU at any price. Trade will produce the requisite pressure upon the enterprises that will or will not be restructuring. Trade will even produce a certain macroeconomic pressure to slow down inflation.

[Klacek] About a year and a half ago, the European Commission ordered a study by a renowned research institute in London covering the entry of the Czech Republic into the EU. This study revealed that, for the EU, the rapid entry of the Czech Republic would not result in any great expenditures from the financial standpoint. A more rapid entry would be suitable by opening a large market on the one hand and, at the same time, exerting greater pressure on enterprises to restructure.

[Pick] For the time being, we were talking here primarily about the structural aspect, not about dynamics. I would now subordinate even a macroeconomic policy primarily to a fast pace. I see an enormous opportunity for our unutilized capacities in the extent to which this reflects the current structure of demand. Modernization will follow in the subsequent phase, for which the first phase must earn resources by opening the gap between productivity and wages and, thus, by opening the accumulation potential.

[Holman] With respect to the question of economic dynamics, I would say that the basis for economic growth lies in enterprise decisions, investments, and enterprise behavior. Government macroeconomic policy is not the way to achieve economic growth. At best, it can establish a healthy environment for entrepreneurs to conduct business and to invest. In particular, this is an environment that increases liberty, freedom, free decisionmaking by businessmen. To the extent to which the government should formulate policy to benefit the pace of economic development, it should do so at the macroeconomic level, and it should primarily involve a low inflation rate, a healthy currency, and elimination of barriers for doing business and making investments.

[Klacek] I see a greater role for the state than merely the creation of conditions in the transition phase toward rapid growth. This is primarily a matter of a greater degree of commitment involving budgetary expenditures in the area of infrastructure investments. It is difficult to expect the private sector to be the principal actor in this area. There is sufficient evidence of the fact that, over the last five years, such investments were not dynamic, and that they actually declined. I am not suggesting that such investments be accomplished at the expense of a possibly large deficit in the budget. However, it is necessary to halt their decline and to begin implementing a normal investment policy in this area. This would also exert a favorable influence upon overall growth as a result of well-known multiple effects.

[Kupka] The share of infrastructure investments is growing. For example, one-half of the expenditures for the PHARE [Economic Reconstruction Aid for Poland and Hungary] has the character of being an infrastructure investment.

[Janacek] Businessmen are vexed by the development of conditions at the government level. Fiscal and monetary policy should contribute to lowering the level of inflation, which is a very difficult task, but one that cannot be ignored. In private, good businessmen will tell you that, in the final analysis, pressure from the outside is a motive that compels them to adapt.

[Holman] The decisive reason for inflation and the decisive component of the rate of inflation is the persisting difference between the domestic price level and world price levels. I believe that the government's fiscal policy and the monetary policy of the banks are absolutely healthy and that they are contributing nothing toward inflation. I expect that, in the immediate future, the rate of inflation will begin to decline as our price level will be approaching world price levels. Even if inflation is going to accelerate over the next few years as a result of a speedup in economic growth and a speedup in investment activities, it will decline to normal European levels in the midterm and long term.

Let us not become intoxicated by notions that our economic structure will be such that it will be based on some kind of highly sophisticated production processes because we have our traditions in that area, etc. The question is whether this tradition is still viable. We were oriented toward trade with countries in the Eastern bloc. The majority of our partners were more obsolescent than we were. We are now integrating with a group of countries the majority of which are more mature than we. We cannot expect that to, in a short period of time, begin to be oriented toward demanding production processes.

[Kupka] In conjunction with dynamics in the economy, demand is adequate. If I take the difference in prices into account, then the number of manufacturers might explain this room by feeling that they can increase prices still further without striving for anything else.

[Klacek] The recovery and the transition toward rapid growth is frequently characterized as being fragile. The high share of demand for consumer goods and consumer-type services and the high growth of imports, which has been unprecedentedly rapid in the last few months, could have a short-term impact. On the basis of this connection, arguments are raised in support of a so-called robust growth rate that has as its background primarily capital demand and a proexport orientation. From this standpoint, there is room here for certain economic policy steps that would act to the advantage of investment demand and the proexport factor.

Political Scientist on Racism in Republic

95CH0311A Prague ZEMEDELSKE NOVINY in Czech 10 Jul 95 p 4

[Interview with Fedor Gal, Charles University, Prague, by Sarka Helmichova; place and date not given: "Fedor Gal: Racism Is Omnipresent"]

[FBIS Translated Text] Czech society has begun to talk about racism. This was an unknown concept until recently. We were even convinced that it could never apply to us; therefore, we accept it today with considerable distaste. We are, after all, born democrats, and profoundly liberal thinking is ingrained in us.

[Gal] Racism was, is, and will be present in our life. I think it is a certain type of social aberration. It rises to the surface at times when there is no solid legislation, when institutions that should enforce the laws are not standing firmly on their feet; at times when society is in a state of uncertainty, undergoing a big transformation; at times when a country is stricken by poverty and scarcity, by political marasmus.

[Helmichova] That applies to racism generally, but what is it like here at the present time?

[Gal] I have encountered racism in two forms. In the first, racist behavior came from the rabble, from people on the fringes of society. But I have also experienced it as a political card in the hands of people who used that card in a very cunning way to destroy their political opponents. I consider this second form of racism much more dangerous, because a political leader of that kind will gather under his standard precisely that rabble, and this symbiosis will then cause rivers of blood to flow.

[Helmichova] Do you think racism is visible in the Czech Republic?

[Gal] The Czech society is liberal. On the other hand, it is impossible not to see that in the last five years there have occurred several very serious and violent acts that had a racist undertone. I attended the funeral of Mr. Berka in Zdar nad Sazavou. It made a deep impression on me—especially because I had an opportunity to hear, and see with my own eyes, people from the Gypsy community. The Gypsies' problem in the Czech Republic is very real. Sociological studies show unequivocally that there is a considerable antagonism toward the Gypsies that is sustained by prejudices—such as, for example, that Gypsies are unadaptable, that they are the source of crime, etc. On the other hand—and I would like to emphasize this—I know from my own experience that when a person or a group has been pushed aside for a long time, when they are branded as different, they begin to behave according to those beliefs. They behave the same way the majority behaves toward them. I view the intolerance toward Gypsies in the Czech Republic not as a reflection of the Gypsies but as a reflection of us. A reflection of the majority.

[Helmichova] Does that means that racism exists in the Czech Republic?

[Gal] There is no socially significant fascist or racist group here. No tendencies that could connote pogroms exist here. However, there have been several dozen specific acts that were directed against ethnic minorities and that had such an undertone. They were violent and some even led to the death of specific people. Also, there are several groups here that openly espouse fascist and racist tendencies. And by no means are these merely hammerskinheads. Among them are also armed and trained thugs. I believe that there are not many such people here, they certainly do not influence the overall atmosphere in the Czech Republic—but, on the other hand, my experience unfortunately suggests to me that sometimes it takes just two ready-for-anything thugs to make a whole street, or a whole neighborhood, stand at attention. People keep silent because they are afraid, or do not want to risk anything. In a crisis situation a few thugs can really cause a disaster.

[Helmichova] What is the way out of this situation?

[Gal] It has to be a confluence of several things. Unquestionably the most important is the existence of a legislative framework and institutions that can be depended upon to make certain that laws are respected. We also need first-rate judges and police. Also essential is the functioning of truly independent media. And no less important is for people to create something like a civic self-defense force, for citizens to not put their safety and trust only into the hands of the law and institutions alone, but for they themselves to feel responsible for the environment in which they live. I have in mind civic associations that are being created all over the world for just such a purpose. And after all, even in the Czech Republic, there exist, at the present time: the White Circle of Safety, the Tolerance Endowment, the Safety Link for Children, etc. There is simply a great number of initiatives, which will perhaps gradually create, in this country too, a civil society.

[Helmichova] The role of the individual is clear, but do you think society fights racism vigorously enough?

[Gal] I was surprised that public officials—with the exception of one or two—did not find time to attend Mr. Berka's funeral. They could have thus effectively demonstrated their attitude toward racism. I was also surprised by the position certain government representatives assumed towards the initiatives of J. Vavrousek, calling him an extremist and an ecological terrorist.

Nevertheless, I claim that in comparison with the other postcommunist countries, the Czech Republic is an oasis of stability. But it is neither cost-free and without considerable effort, nor forever.

Kovac Refuses To Accept Meciar's Resignation

AU2908115595 Bratislava SME in Slovak 28 Aug 95 p 1

[TASR report: "Michal Kovac Sees No Reason for Parliamentary or Government Crisis"]

[FBIS Translated Text] Vienna—In an interview for the Austrian agency APA on Friday [25 August], against the backdrop of his continuing feud with Prime Minister Meciar, Slovak President Michal Kovac called for the democratic and political responsibility of Slovak government forces. According to the president, there does not exist at present any reason for changes in the government, and he would not accept Meciar's resignation. As APA reported, Michal Kovac appealed to the Hungarian ethnic minority, which is struggling with the Bratislava government for an improvement of its legal status, to show greater readiness for a dialogue. The Movement for a Democratic Slovakia [HZDS] won the last elections and has the support of the parliamentary majority. "There exists therefore no reason for a change of government," the president observed. Should the prime minister want to resign according to the motto "it is either me or Kovac," Michal Kovac would never be able to accept such reasoning. According to the president's own words, he would have to remind Vladimir Meciar of his responsibility stemming from the election results and from the parliamentary majority's support for him. Any other course of action "could seriously damage democracy and the interests of Slovakia." According to Michal Kovac's own words, he does not have "any personal aversion to Mr. Meciar" and does not have any problem meeting him anywhere. "I have the feeling, however, that this is not the case with him," the president noted. He also has not spotted any indications of a parliamentary crisis that might provoke the resignation of the entire cabinet. Asked how the opposition could gain greater influence, Michal Kovac replied that it is important for the government coalition to realize that it is advantageous to proceed without confrontation and by means of a dialogue with the opposition. The opposition, too, should seek the path toward cooperation, according to him. As APA reports, the Report on the State of the Republic that Michal Kovac will deliver to the National Council of the Slovak Republic should not be an evaluation of the government's work but of the situation in the country and its causes. "It will not be a confrontational report," he added.

Duray Considers Language Law 'Fascistic'

AU2808142295 Bratislava SLOVENSKA REPUBLIKA in Slovak 25 Aug 95 pp 1-2

[Article by Dobroslava Krajacicova: "Miklos Duray Considers the Draft Language Law To Be Fascistic"]

[FBIS Translated Text] Bratislava—The National Council of the Slovak Republic [NR SR] plenum will also debate the principles of the law on the state language at its ninth session. The Committee for Public Administration, Territorial Self-Administration, and Ethnic Minorities dealt with this issue yesterday. Before the start of the debate on the law's principles, M. Duray (Egyutteles) demanded that it be withdrawn from the agenda. The committee did not accept his proposal, however. In reaction to this outcome, M. Duray unleashed a shower of insults about the Slovak nation and Slovakia. He described the draft language law as fascistic. M. Duray then left the meeting in protest even though the committee's deputy chairwoman, M. Kollarikova, pointed out to him that he is a deputy of this committee and has to respect the agreed agenda. Before he walked out of the meeting, Miklos Duray, a deputy and member of the Committee for Public Administration, Territorial Self-Administration, and Ethnic Minorities, said (actual record): "Mrs. Kollarikova, as I cannot agree with the spirit of this draft, allow me to leave the room, because I am not willing to sit down and be present during the discussion on such a fascistic draft..." Jan Garai, an Association of Workers of Slovakia deputy, responded: "I ask you not to insult the Slovak nation here, I ask you not to refer to fascism here; this is not fascism..."

A Bitter Exchange of Views

Immediately after these comments were made, a bitter exchange of views took place between the deputies. The opposition put forward a proposal to postpone the discussion on the principles of the law on the state language. The coalition, however, rejected this proposal. In the end, this was also confirmed in a vote. The majority of the committee's deputies described M. Duray's remarks as an insult to the Slovak state-forming nation. The deputies stated that M. Duray has several times already damaged Slovakia's good name abroad by his remarks.

Condemnatory Quotations

Deputy Jan Smolec [Movement for a Democratic Slovakia] made an important contribution to the debate. He pointed out that, by his speech in Debrecen, M. Duray also confirmed that he has renounced loyalty to the Slovak Republic and does not respect and observe the Slovak Constitution. He quoted the statements he made at the protest rally in Debrecen on 27 July 1995, where, among other things, M. Duray compared the apparently planned and executed segregation of the Hungarian nation and the attempts to destroy its severed parts to the deliberate and organized elimination that took place in the Nazi death camps during World War II. He also quoted his comments that the fate of one part—Felvidek, the community of Hungarian people living in present-day Slovakia—is a representation of Calvary, since the Hungarian nation in Felvidek has survived all three modes of planned destruction, that is, the ruination of its national awareness, its economic incapacitation, and expulsion from its native land. M. Duray also said in Debrecen that the deliberate devastation of the language and schools will also destroy the identity and existence of the Hungarian nation, that Slovaks who do not know Hungarian and who hate us are being appointed in place of the school principals who challenged this, and that if the attacks continue, the Felvidek Hungarians will resort to disobedience.

Abuse of the Freedom of Speech

At the proposal of Committee Member Jan Smolec and in conjunction with M. Duray's aforementioned remarks, the NR SR Committee for Public Administration, Territorial Self-Administration, and Ethnic Minorities adopted a resolution in which it asks the prosecutor general of the Slovak Republic to investigate whether the conduct of NR SR Deputy M. Duray constitutes a violation of the Slovak Constitution and also whether he has committed an act constituting a criminal offense. The committee described M. Duray's remarks as ultranationalist, grossly defaming the Slovak Republic and its representative, the Slovak Government, discrediting its territorial integrity, propagating ethnic hatred, and as an act violating the Slovak Constitution. Such manifestations are a grave abuse of the freedom of speech, a freedom that may, in accordance with the Slovak Constitution, be curtailed by law if this involves measures essential in a democratic society to protect the rights and freedoms of others, the state's security, and public order.

The committee members condemned all manifestations of ethnic intolerance, defamation of the republic and its representatives, threats of disturbance of the peace, violation of the Constitution in implementing ethnic rights, and conduct casting doubt on the Slovak Republic's territorial integrity. They also set Committee Chairman Jozef Rea the task of informing the NR SR chairman and the chairman of the Mandate and Immunity Committee of M. Duray's statements. The NR SR Committee for Public Administration, Territorial Self-Administration, and Ethnic Minorities adopted the principles of the law on the Slovak Republic state language as a whole.

HZDS Condemns Duray Comment

AU2808181095 Bratislava SLOVENSKA REPUBLIKA in Slovak 26 Aug 95 p 2

[TASR report: "The HZDS on M. Duray's Abuse of Freedom of Speech and His Deputy's Immunity"]

[FBIS Translated Text] Bratislava—The recent remarks made by National Council of the Slovak Republic [NR SR] Deputy Miklos Duray in parliament and also on other forums confirm that "in principle, he disavows loyalty to the Slovak Republic, does not respect its representatives, and does not observe the Constitution." This comment is made in a statement issued by the Movement for a Democratic Slovakia [HZDS] in connection with the remarks made by M. Duray on Thursday [24 August] in the NR SR Committee for Public Administration, Territorial Self-Administration, and Ethnic Minorities, when he described the draft principles of the NR SR law on the state language as fascistic, and also within the context of the resolution adopted by the aforementioned committee asking that the remarks made by the deputy at a protest rally in Debrecen on 27 July be investigated.

According to the HZDS, calling the principles of the law on the state language a "fascistic draft" intentionally follows the remarks made in Debrecen and are a gross insult to Slovak citizens who, in democratic elections freely elected their representatives to the most supreme legislative body. At the same time, it points out that the Egyutteles chairman is gravely abusing the freedom of speech and his deputy's immunity to destabilize the situation in Slovakia and to besmirch and discredit the Slovak Republic and its representatives abroad.

Hungarian-Language Weekly NAP Folds

AU2808195495 Bratislava PRAVDA in Slovak 25 Aug 95 p 3

[Report by "da": "NAP Is Folding"]

[FBIS Translated Text] The last issue of the Hungarian independent weekly NAP (Day) was delivered to newsstands yesterday. It first appeared in December 1989. The magazine, published in Dunajska Streda, was mainly intended for the Hungarian intelligentsia in Slovakia. Its publishers account for the weekly's cessation by the decline in its print-run to 1,500 copies, economic problems, and competition from magazines from Hungary.

Biography of State Secretary Jozef Sestak

AU2808195595 Bratislava PRAVDA in Slovak 26 Aug 95 p 15

[Reply signed by "lm" to reader's question in the "You Have Reached PRAVDA's Answering Machine" column]

[FBIS Translated Text] [Question] Who is Jozef Sestak, state secretary at the Ministry of Foreign Affairs? What did he do in the past? Would you clarify this, please?

[signed] Dr. Polak

[Reply] According to an official biography issued by the Ministry of Foreign Affairs for the needs of the press, Engineer Jozef Sestak, candidate of sciences, graduated from the Advanced School of Economics in Bratislava. Between 1970 and 1979, he worked in foreign trade, of which he spent six years in the United States as deputy trade attache. Between 1979 and 1991, he worked in the foreign service as career diplomat. In the years 1983-88, he was embassy counselor in Vienna. At the Federal Ministry of Foreign Affairs in Prague, he worked in the United States territorial department, in the minister's secretariat, in the international organizations department, and in some other departments.

With the diplomatic rank of ambassador extraordinary and plenipotentiary, he headed a CSFR [Czech and Slovak Federal Republic] delegation to international disarmament talks in Canada and Hungary in 1990.

During 1991-94, he was entrepreneur and director of a private foreign trade and consultancy company in Bratislava.

[signed] (lm)

Surveillance Head on Safety of Nuclear Plant

AU2808183295 Bratislava PRAVDA in Slovak 26 Aug 95 pp 1, 3

[Interview with Jozef Misak, director of the Slovak Nuclear Surveillance Office, by Olga Prekopova; place and date not given: "The Safest of the Dangerous?"]

[FBIS Translated Text] The first unit of the V-1 nuclear power plant at Jaslovske Bohunice was taken out of operation last week as a consequence of deterioration of the chemical regime of secondary circuit water. The incident was ranked as level 0 on the International Nuclear Events Scale (INES), which means an incident without safety significance. In spite of this, however, it surely was another "nail in the coffin" of a nuclear complex that has for some time now been targeted by domestic and foreign critics of nuclear power plants. The incident is being investigated, and it cannot be ruled out that the service personnel were to blame for it. Prior to his departure for Germany for two days of talks with Professor Birghoffer, director of the German Society for Reactor Safety, we asked Dr. Jozef Misak, director of the Nuclear Surveillance Office of the Slovak Republic, for an interview.

[Prekopova] Not only critics of nuclear power, but even some employees of the V-1 nuclear power plant at Jaslovske Bohunice claim that the U.S. Department of Energy was right when it ranked the Bohunice 440-230 reactor among the 10 most dangerous in the world. According to them, however, it is the safest of the most dangerous nuclear power plants. Could you explain in this context how you assess the operational safety of the V-1?

[Misak] It is not my objective to prove that the V-1 is a model of safety. Quite the contrary, our office insists on further safety improvements. I repeat, however, that, technologically, ranking power stations according to the level of their (un)safety does not make sense because there are no comprehensive criteria for such a ranking. Taking one design drawback out of context without assessing a number of its merits distorts the reality. But let us return to the issue of the operational safety of the V-1. Operational safety is being assessed on the basis of the real occurrence of operational events that were of safety significance and numerical values of the so-called safety indicators are being used to gauge it. Let us try to compare a few such values for 1994. For example, unplanned losses caused by the nonavailability of units averaged 2.2 percent worldwide and 0.7 percent in the Slovak Republic. In terms of the number of rapid reactor shutdowns per unit, Slovakia had the same result as the world average (0.9), while the employees' collective radiation exposure per unit is incomparably lower in the Slovak Republic than it is in the world. These comparisons show that the standard of operational safety in Slovakia is above the worldwide average.

[Prekopova] And what about the so-called design safety?

[Misak] This term can be explained, freely, as the ability of the power plant's systems to come to terms with accidents that might result in the leakage of radiation. The V-1 has weaknesses in this regard, but even here one cannot speak about an extraordinarily high risk. The safety of a power plant is usually comprehensively expressed in terms of the likelihood of a serious damage to the reactor's active zone. For the V-1 at Jaslovske Bohunice, this likelihood is between 10 to the power of minus 4 and 10 to the power of minus 3 per reactor and year, which is considered acceptable for further operation but, at the same time, in need of further safety improvements. The V-1 was the sole VVER 440-

230 unit, that is, the sole reactor of its type, ranked within this relatively favorable zone. The V-2 nuclear power plant at Dukovany, the Paks nuclear power plant, but also the Crystal River and Indian Point nuclear complexes in the United States have also been ranked within this zone. Such a simplified view is inappropriate, however, which is why our office insists on the gradual elimination of the design drawbacks.

[Prekopova] "To meet current European nuclear safety requirements, both V-1 reactors have to be equipped with the appropriate emergency cooling and with the so-called containment that would withstand pressure from the rupture of the 500-mm main circulation pipe. But even if we decided to go ahead with such a reconstruction, the cost of which would amount to about 60 percent of the cost of building the V-1 nuclear power plant, it would not be technically and practically realizable," J. Beranek, expert of the former Czechoslovak Atomic Energy Commission, said some time ago. What is your view, Mr. Chairman?

[Misak] Today, I would call J. Beranek's stand outdated, in view of our knowledge of a number of solutions regarding the improvement of emergency cooling and containment. The question is, rather, what extent and method of reconstruction is optimal, given the brevity of the time until the end of the projected service life of the V-1. Our conditions [for the continued operation of the V-1] are spelled out in the Decision No. 1/1994, and Siemens is currently working on a project dealing with the possibility of meeting those conditions. Incidentally, those 60 percent of costs represent under 15 percent of the cost today of building new units....

Satisfactory Inspection

AU2808183495 Bratislava SME in Slovak 25 Aug 95 p 3

[Report by "jk": "The General Maintenance of the Reactor's Third Block Was Completed One Hour Before Midnight"]

[FBIS Translated Text] Jaslovske Bohunice—The German Siemens company and the Dutch RTD company have signed cooperation contracts with the Bohunice Nuclear Power Plant's management. They concluded them on the basis of their satisfaction with the course of work on the extended general maintenance of the third block, which was completed, after 75 days, one hour before midnight on 23 August, that is, one day ahead of schedule. Representatives from the Siemens company have invited staff from the Bohunice Nuclear Power Plant to inspect the Paks nuclear power plant in Hungary, while RTD representatives have invited them to the Loviisa nuclear power plant in Finland. The third block was reconnected to the power network with an electrical output of 440 MW. Apart from the general maintenance and overhaul of the power interchange equipment, the joint team, made up of staff from the nuclear power plant and staff from the Mochovce Nuclear Power Plant, the Nuclear Power Plant Research Institute in Trnava, and the Siemens company, inspected the reactor's pressure tank, which entailed more major work. The results of the inspection, repeated once every four years, did not exceed the criteria laid down by the German KTA or the Russian PK 1514/72 standards. Compared with the previous inspections, the team confirmed the good condition of the equipment for its continued operation.

Meciar Rejects TU Confederation's Demands

AU2808145695 Bratislava NARODNA OBRODA in Slovak 26 Aug 95 pp 1-2

[Report by "an, ev": "Government Material Does Not Contain Any Proposals for Compensation and Is Unacceptable to the Confederation of Trade Unions"]

[FBIS Translated Text] The Confederation of Trade Unions [KOZ] considers the government material on compensation for adjustments in public transport fares worthless.

Upholding this view at a news conference held after yesterday's extraordinary KOZ assembly, KOZ Vice President V. Stevko said that the government did not accept a single proposal or argument that the trade unionists had put forward. "The government worked on its proposal for two months and, according to statements by government officials, including the prime minister, it was to contain specific proposals for measures to alleviate the bad social repercussions of the 1 July 1995 increases in public transport fares. The material does not contain any proposals for compensation, however," V. Stevko emphasized. This unconstructive approach by the government is unacceptable to the trade unions, as the government's social partner, because it is an expression of the government's arrogance and ignorance toward the social needs of citizens and toward the principles of social partnership.

Yesterday's extraordinary KOZ assembly unanimously stated that the government's approach was a source of growing social tension and confirmed the legitimacy of KOZ's steps taken thus far.

At the same time, the assembly charged the KOZ president with drafting by 5 September 1995 a proposal for further steps and pressure actions.

Commenting on the conclusions of yesterday's extraordinary KOZ meeting, Prime Minister Vladimir Meciar told yesterday's Radio Journal [Slovak Radio newscast], among other things, that the government had concluded [with the KOZ] the General Agreement, the terms of which it is meeting honorably and responsibly. According to his words, however, the trade unions behave more and more as a pressure group and less and less as a social partner. According to Vladimir Meciar, a tripartite meeting was to take place on 24 August, but the trade unionists did not attend it because of vacations. Hence, they did not attend talks "on matters, for which they want to drive people into the squares." Regarding the trade unions' demand for talks on the price of labor, Vladimir Meciar said that developments in this matter should not be accelerated. If money is not backed by labor and marketed production, it is inflationary money, which would, in the final analysis, throw society two years back. The demands for a 100-percent increase in teachers' salaries, a 200-percent increase in physicians' salaries, and, most recently, KOZ President Englis's demand for a 50-percent wage increase are only a nice gesture in this context, according to the prime minister.

ZRS Claims Market Economy Not Functioning

AU2908115695 Bratislava PRAVDA in Slovak 28 Aug 95 p 2

[Article by Milan Berta]

[FBIS Translated Text] Banska Bystrica—The Republican Council of the Association of Workers of Slovakia [ZRS] met in Banska Bystrica on Saturday [26 August]. According to ZRS Chairman and National Council of the Slovak Republic Deputy Chairman Jan Luptak, the ZRS has assumed its place on the left of our political spectrum. In an appeal adopted at the close of the meeting, the ZRS Republican Council states that, during their visits to many towns, villages, and companies, ZRS representatives have convinced themselves that the economic situation of the majority of our population is on the verge of mere subsistence. [On the one hand] while we have a nonfunctioning market economy, capitalist taxes and levies, and usurious loan interests that even capitalist financiers would not dare to charge, on the other hand we have socialist wages, the appeal stresses.

The scarcely functioning Confederation of Trade Unions, but also all political entities, have their share of responsibility for this situation. The ZRS therefore appeals, first and foremost, to the left-oriented parties to give up their subjective interests and populist policies in order to restore the dignity of life and citizens' work, and to work toward increasing the price of labor and improving our citizens' living and social conditions. The ZRS Republican Council at the same time charged the ZRS chairman with continuing to enforce at coalition talks compensation for increases in public transport fares and for adjustments in commuters' discounts so that at least one-third of the cost of compensation is borne by the state and another third by employers.

Plan To Lower Car Duties Seen as Anti-Czech

AU2808145795 Bratislava SME in Slovak 26 Aug 95 p 2

[Article by "jam, CTK": "Government Wants To Abolish Import Duty for Some Cars; The Price of Passenger Cars Could Go Down by Up to 160,000 Korunas"]

[FBIS Translated Text] Bratislava—The Slovak Government is to assess in the near future a proposal for the abolition of the import duty and the import surcharge for passenger cars with an engine volume of up to 1,500 cubic centimeters. These cars are currently subject to an import duty of 19 percent (11.4 percent for cars imported from the EU), plus an import surcharge of 10 percent. According to CTK, the price of imported passenger cars would decline on average by 100,000 to 160,000 korunas [Sk].

Finance Ministry spokesman J. Mach noted in this context that, while this measure will reduce state budget revenue, it will be reflected positively in the state of the environment and will help reduce the number of road accidents. He rejected claims, however, according to which Slovakia intends to introduce this measure in response to the one-sided cancellation of the payment agreement by the Czech side. Asked by SME whether any reduction of import tariffs is planned also for cars with larger engine volumes, J. Mach replied that he did not know anything about such plans.

The proposal has provoked alarm in the Czech Republic because, in the event of the approval of the above proposal, the new Opel Corsa would cost Sk9,000 less than the cheapest version of Skoda's Felicia model. The Czech side said that, should the proposed measures be adopted, the Czech Government would have to deal with the overall state of the Czech-Slovak customs union.

"We are very sorry that, for the first time during the existence of the customs union, the Slovak side is ready to touch autonomously and, most probably, regardless of our view, an item that is of national economic importance to the Czech Republic," Czech Minister of Trade and Industry Vladimir Dlouhy said yesterday. Prime Minister Vaclav Klaus said, however, that "the Czech side does not intend to call the customs union in question." At the same time, he admitted that the meeting of economic ministers on 5 September, which will precede the summit meeting of CEFTA [Central European Free Trade Association] heads of government, might discuss also economic relations with Slovakia.

[Prague MLADA FRONTA DNES in Czech on 24 August on page 1 carries a 400-word report by "sim, lav" entitled "Meciar's Plan Would Deliver a Severe Blow to Skoda." The report states that Slovak Government's plan to eliminate the import duty and the import surcharge for small cars would "jeopardize the position of Skoda on the Slovak market," as Skoda, "which clearly dominates the Slovak market, having sold 6,950 new cars there in the first half of the year," would lose its competitive edge over other car makers. Samara, imported from Russia, for example, would reportedly become Sk100,000 cheaper than Skoda Felicia. The report quotes Skoda spokesman Milan Smutny as saying that, in the event of the materialization of the planned changes in customs tariffs, "Skoda would adopt adequate changes in its commercial strategy vis-a-vis Slovakia," which the MLADA FRONTA DNES correspondents interpret as meaning that the Czech factory might "freeze relations with its Slovak subcontractors, from whom it receives merchandise worth over 2 million korunas annually."]

Budapest 'Welcomes' Holbrooke's Autonomy Proposal

AU2908140095 Budapest NEPSZABADSAG in Hungarian 29 Aug 95 p 3

[Unattributed report: "Budapest Welcomes Holbrooke's Stance"]

[FBIS Translated Text] In a striking statement, Richard Holbrooke, U.S. assistant secretary of state responsible for the central European region, made the point that, in the interest of the region's security, individual and collective equality before the law has to be ensured for people belonging to ethnic minorities.

In reply to a question from NEPSZABADSAG, Foreign Ministry State Secretary Istvan Szent-Ivanyi made the following comment on Holbrooke's statement: We welcome with pleasure the autonomy proposal, which appears to be a new element in U.S. foreign policy, although it is obvious that this seems to be new only in our region because the Palestinian autonomy talks have been going on for a long time. Therefore, even though at the moment it applies to the solution of the south Slav crisis, the possibility outlined by Holbrooke seems like a method that could be used in other countries of the region.

It is interesting that the U.S. diplomat cited European examples to support his opinion, and he was right in this. Although most West European states do not verbally support collective autonomy for ethnic minorities, in many places it is observed in practice. The Catalonians and Basques in Spain, the Corsicans in France, the South Tiroleans in Italy, and the Swedes in Finland enjoy special rights amounting to ethnic autonomy, Szent-Ivanyi said.

Tabajdi on Situation of Hungarians 'Abroad'

AU2908095095 Budapest MAGYAR HIRLAP in Hungarian 26 Aug 95 p 9

[Interview with Csaba Tabajdi, political state secretary at the Prime Minister's Office, by Dezso Pinter; place and date not given: "No Results Without Dialogue"]

[FBIS Translated Excerpt] [Passage omitted] [Pinter] There is increasing concern that the interests of ethnic Hungarians living beyond our borders are not identical with Hungary's interests of European integration. What is your opinion about this?

[Tabajdi] First, those who are concerned about this oversimplify the position of the Hungarian ethnic community abroad, because that community will clearly benefit from a situation in which the neighboring countries become members of the euro-atlantic organizations. The problem is that Hungary and some of its neighbors will probably not get into these organizations at the same time, and this delay will cause serious difficulties for the ethnic Hungarian minority. If Hungary becomes an EU member, the Hungarian-Ukrainian or the Hungarian-Romanian border will become a strict EU border in accordance with the Schengen agreement. To a certain extent, this border will also separate the minorities from Hungary.

[Pinter] The West has made it absolutely clear that the East-Central European countries can only count on integration if they regulate their bilateral relations. Will the national minorities benefit from this?

[Tabajdi] If, for example, the Romanian political elite does not see any real chance of Romania's being integrated, they might be less interested in improving relations with their neighbors and in conducting a policy that does not aim at assimilating the minorities. Therefore, on the one hand, in the current international competition situation, it is in Hungary's interest to be among the first to become member of these integration organizations; at the same time, this advantage might have several hard consequences for the ethnic minorities.

[Pinter] What must the Hungarian Government and the relevant countries do to reduce this difference in timing?

[Tabajdi] The main responsibility lies with the governments of the countries in question, because these governments directly affect the assertion of democracy, market economy, and human rights. Hungary also faces an important task: At both bilateral talks and international forums, it must stress that we are interested in having as little time as possible between Hungary's being accepted and our neighbors being integrated. Of course, it would be a big blow for Hungary if the EU listed all these countries in one group, despite the different levels of integration maturity, because the unprepared state of some of our neighbors would also put us further down on the list.

[Pinter] In formulating its national minority policy, what can Budapest do to avoid such a situation?

[Tabajdi] We must make it clear at every possible forum that we see chances that the rights of the 2 million ethnic Hungarians in Romania will be guaranteed and Hungarian-Romanian relations really settled if the euro-atlantic line prevails in the Romanian foreign policy strategy rather than an eastward orientation or an isolationist trend. [passage omitted]

[Pinter] What room for maneuver does Hungarian policy have, a policy that urges integration and the settling of minority problems alike?

[Tyabajdi] Euro-atlantic integration is the only chance of prosperity for both Hungary and its neighbors. This could strengthen our bilateral relations and also make Romanian politics exercise restraint. The previous and current efforts of forced or hidden assimilation could be replaced by a more tolerant government attitude toward the minorities. If our neighbors become members in euro-atlantic organizations, this will also benefit the large number of Hungarian minorities living there. [passage omitted]

[Pinter] Can we expect any results in strengthening the Hungarian-Romanian dialogue, or must the decisive steps come from Bucharest alone?

[Tabajdi] There will be no result whatsoever without the broadest possible dialogue on a wide range of issues. The past months proved again that a considerable number of Romanian politicians effectively frighten the Romanian public with Hungary and the Hungarian minorities living in Romania. It cannot be completely excluded that Romania will have a government that regards Hungary as a partner. However, the prevailing general mood, style, and the negotiated political issues should also change there in order to achieve results, and this cannot happen without a continuous dialogue. [passage omitted]

[Pinter] Can we expect a change in the international attitude toward Romania?

[Tabajdi] This is difficult to predict. Hungarian politics must do everything in its power to normalize the relations and no one should be able to blame Hungary for failing to achieve a breakthrough. There are things on which we must not give in. We cannot go below the criteria of the Council of Europe on national minority issues. The article on national minorities of the proposed Hungarian-Romanian basic treaty cannot contain less that the relevant article of the Hungarian-Slovak treaty. [passage omitted]

[Pinter] What is your opinion about the repeated criticism that Budapest often forgets about the ethnic Hungarians living in Subcarpathia?

[Tabajdi] That is out of question. Statements and symbolic gestures from Hungary are quite important for the ethnic Hungarians living abroad, but they are not always enough. Some people find it hard to realize that Budapest has limited international political and economic possibilities for expanding and deepening its relations with the ethnic Hungarian minority living beyond our borders. The emigration of the ethnic Hungarians from Subcarpathia has begun as a result of subsistence problems. It is important for us to help the entrepreneurial initiatives there with capital, information, and manager training. The government also has a lot to do for this.

[Pinter] How did the Yugoslav tragedy change the fate of ethnic Hungarians living there?

[Tabajdi] It is horrifying and painful that half of the almost 25,000 ethnic Hungarians living in Croatia were expelled from their houses. In Vojvodina, the Serbian nationlist policy has been raised to official level at county and community levels alike; as a result, pressure on the ethnic Hungarians is increasing. Every tenth ethnic Hungarian in Vojvodina has emigrated in the past five years. There is less and less education in Hungarian. The lack of unity of the Vojvodina Hungarians and the lack of a dialogue between the various Hungarian organizations also adds to this picture. The Serbs have exploited an unclear situation perfectly. [passage omitted]

Horn: Restructuring Plans May Split Coalition

LD2908084295 Budapest Kossuth Radio Network in Hungarian 0700 GMT 29 Aug 95

[FBIS Translated Text] Gyula Horn has said that he definitely wants to agree with the [Alliance of] Free Democrats [SZDSZ] on restructuring the government, but if he does not succeed in this, he finds it conceivable that as a final measure the Hungarian Socialist Party [MSZP] will continue the government on its own. The prime minister and MSZP chairman said in the "Daybreak" television program that he hopes he will succeed in convincing the Free Democrats that his government expansion plans do not mean that he is giving up on stabilization and on the central direction of the economy. According to Gyula Horn, the appointment of new government members is made necessary by the need for economic and social stability and the fact that government offices are currently overburdened.

Chairman Explains SZDSZ Stance

AU2808180995 Budapest NEPSZABADSAG in Hungarian 28 Aug 95 pp 1, 4

[Interview with SZDSZ Chairman Ivan Peto by Attila Zsoldos; place and date not given: "Peto: We Did Not Intend To Deliver an Ultimatum"]

[FBIS Translated Text] The Alliance of Free Democrats [SZDSZ] did not intend to deliver an ultimatum to the Hungarian Socialist Party [MSZP], but if the SZDSZ accepted the plans regarding changes in the government, it would give up its commitment to the stabilization program, SZDSZ Chairman Ivan Peto told NEPSZABADSAG.

[Zsoldos] In the "16 Hours" radio program, you said that the SZDSZ cannot yield in the issue of the governmental changes because it cannot continue to retreat anymore. Many people believed this to be an ultimatum.

[Peto] We did not intend to deliver an ultimatum. Since the formation of the coalition, the SZDSZ has expressed on a number of occasions that public debates are unfortunate, and this was agreed on with the MSZP in February 1995. The current debate was also aggravated by the fact that issues that should not be made public were being coordinated in public. In these kinds of issues, publicity pushes the issue to the point where it has to be decided how far the sides can go in the debate and who has to yield. The SZDSZ did not intend to intensify the conflict. We are, however, forced to answer the question that was put to us: Do we consider the given issue a tensile test?

[Zsoldos] Does this mean that prestige considerations are also playing a role in the conflict?

[Peto] For the SZDSZ, this is not at all a prestige issue; we are saying on principle that the government's operational problems will not be solved through structural or personnel changes. However, it is no use denying that when a leading politician publicly commits himself on an issue, prestige considerations will also play a role in the ensuing debate.

[Zsoldos] Is the SZDSZ taking too big a risk by declaring so far and not a step further?

[Peto] Naturally, it is realistic to raise this question, but we cannot do anything else on certain issues; issues affecting the governmental structure, the governmental positions, and the coalition partners' attitude to the coalition agreement. It is also significant whether the coalition government deals with important issues, with handling the economic problems, the reform of state administration, and social problems, or with problems seen by the public to be of secondary importance. The SZDSZ also has to take into account that it keeps having to deal with secondary issues again and again.

[Zsoldos] Last week, the Finance Ministry announced that the favorable effects of the Bokros package could already be felt in the economy. Why then has the possibility of a break up emerged precisely now?

[Peto] We maintain that the government should concentrate on implementing the stabilization measures and the reform steps. For this reason, we also have to assess the real root of the current debate. Is the truth behind the plan that the commitment to the stabilization program has slackened? The establishment of the new economic policy position would clearly indicate this. The personnel proposals, which were made in public, named two MSZP deputies whose statements against the government program are well known. In our view, if we accepted the plans on changing the government, this would mean giving up our commitment to the stabilization program.

[Zsoldos] If commitment to the stabilization program is questionable, this problem will not be solved even if the government is not changed.

[Peto] Let us now concentrate on the current debate. We only defined the boundary that indicates the SZDSZ's room for maneuver on this issue. The SZDSZ is happy to participate in trying to find a compromise solution to the problem. This is why we suggested that the two government parties should set up an informal committee to reveal the coalition government's operational problems and to make suggestions as to their solution. For the same reason, we suggested that, informally, leading politicians of the two parties should review the lessons of the past year and the foreseeable tasks of the coming three years. However, the room for maneuver is rather small. Those pressing for changes in the government have publicly committed themselves in favor of one kind of solution to such an extent that there is little chance of being able to emerge from this situation without a loss of prestige.

[Zsoldos] Does the SZDSZ see a realistic possibility that it might become an opposition party?

[Peto] The SZDSZ is forced to assess its chances of implementing its ideas in various situations. If we assume that a decision regarding changing the government can be made even without coordination, then we cannot implement our ideas in accordance with the coalition agreement on other issues, either.

Izetbegovic Arrives in Paris for Peace Plan Talks

AU2808180495 Paris AFP in English
1745 GMT 28 Aug 95

[FBIS Transcribed Text] Paris, Aug 28 (AFP)—Bosnian President Alija Izetbegovic arrived Monday [28 August] in Paris for talks with French and U.S. officials on the latest U.S. peace plan for former Yugoslavia.

The Bosnia president's plane touched down at Orly airport south of Paris at 5:30 p.m. (1530 GMT), roughly three hours later than originally planned.

Silajdzic: Government Proposes Halt to Talks

AU2808132495 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1209 GMT 28 Aug 95

[Report by Senada Cumurovic]

[FBIS Translated Text] [Cumurovic] [Words indistinct] innocent victims in the city, Interior Minister Bakir Alispahic was the first to present his report; he disclosed all the hitherto known details on the Chetnik attack on Sarajevo which lasted from 1000 to 1127. Several mortar shells landed in this period, most of them 120-mm ones.

[Alispahic] The shells hit the following locations: the OSLOBODJENJE building, Djuro Djakovic Street, Marshall Tito Street where the greatest number of people were killed and wounded, the area of Bistrik, the vicinity of City Hall, immediate vicinity of Hotel Europa, near the National Museum, and [words indistinct]. [passage indistinct]

[Cumurovic] The government has decided at the extraordinary session held after the morning's terrorist shelling to send a protest to the UN Security Council and NATO in which the government will demand a clear stance, primarily from NATO, about the protection of Sarajevo. Since such attacks are employed to pressure the legitimate authorities, Prime Minister Haris Silajdzic presented the session's main conclusion:

[Silajdzic] The government has decided to propose to the Bosnia-Herzegovina Assembly and the Presidency a suspension of further activities in the peace process until NATO's obligations and role in the protection of Sarajevo and other protected areas are clear. NATO member countries are the key factors that are insisting on the arms embargo for Bosnia-Herzegovina. By withholding arms for the legitimate defense of Bosnia-Herzegovina, they have undertaken an obligation and are responsible for protecting our country. This role and obligation of NATO is clear from the documents from the recent London conference. We need clear [words indistinct]. Is NATO protecting the civilians in Sarajevo and other protected areas, or is it not? There is no halfway answer. Our country's comprehensive political and military behavior and our role in the peace process will depend on this. Our delegation, headed by President Izetbegovic, is in Paris today [words indistinct] because it is clear that the situation is being used for [word indistinct]. Our delegation's stance at the negotiations [words indistinct] on us and public opinion.

Sacirbegovic Threatens To Suspend Peace Talks

AU2908110395 Paris AFP in English
1046 GMT 29 Aug 95

[FBIS Transcribed Text] Paris, Aug 29 (AFP)—Bosnian Foreign Minister Mohamed Sacirbegovic on Tuesday [29 August] threatened to suspend his government's participation in planned peace talks here unless there is a response to Monday's mortar bomb attack on central Sarajevo.

If "there is no response to this terrorist attack...we will be forced to reconsider our further cooperation," he said.

The attack killed at least 37 people.

Butrus-Ghali Condemns Massacre, Demands Action

LD2808212595 Belgrade TANJUG in English
2105 GMT 28 Aug 95

[FBIS Transcribed Text] Belgrade, Aug. 28 (TANJUG)—UN Secretary General Butrus Butrus-Ghali on Monday condemned the massacre in Sarajevo and asked UN commanders immediately to carry out an investigation and take necessary measures against those responsible for the attack. A mortar blast near Sarajevo's Markale market on Monday killed 37 people and wounded 85, agencies report.

Expressing "outrage that such an attack has occurred in an area where there is no military target," Butrus-Ghali said "the continued and senseless shedding of blood in Bosnia-Herzegovina is totally unacceptable," agencies report.

The UN secretary general's spokesman Joe Sills said the measures to be used against those responsible for the attack would be determined by UN peace force commanders for former Yugoslavia French Gen. Bernard Janvier and for Bosnia British Gen. Rupert Smith. Sills, however, could not say what kind of action would be taken and when, but said all options were open.

The UN still has not confirmed from where the shells were fired at central Sarajevo on Monday morning.

The Bosnian Serb Army General Staff on Monday denied its units had anything to do with this incident. They pointed out that Serb artillery does not have such devastating weapons which would "kill such a large number of persons" with one shell. Bosnian Serb Army Commander Gen. Ratko Mladic proposed to Gen. Smith that a joint commission be formed to establish all the facts relevant to this incident.

Bosnian Serb President Radovan Karadzic accused the Muslim side that it had staged this massacre in order to stop the peace talks from continuing. "Whenever we were at crucial moments in the negotiations or when some important figure was coming to Sarajevo, we were witness to similar incidents," Karadzic warned.

UN: 'Overwhelming' Evidence of Serb Attack

AU2908101695 Paris AFP in English
0959 GMT 29 Aug 95

[FBIS Transcribed Text] Sarajevo, Aug 29 (AFP)—Bosnian Serb forces fired the mortar shell that killed at least 37 people in central Sarajevo on Monday [28 August], a UNPROFOR [UN Protection Force] spokesman said here Tuesday.

The UN Protection Force commander determined "beyond a reasonable doubt" that the deadly mortar was fired from Bosnian Serb positions, said UN spokesman Alexandre Ivanko. "The evidence is basically overwhelming."

The United Nations had earlier indicated that military action was probable after the attack on civilians in Sarajevo, a UN-declared safe area.

"The French are in favor of using the Rapid Reaction Force, (an Anglo-French combat unit with heavy weapons) the Anglo-Saxons want NATO air strikes," a UN source said.

UN Considers Military Response

AU2908074095 Paris AFP in English
0731 GMT 29 Aug 95

[FBIS Transcribed Text] Sarajevo, Aug 29 (AFP)—The United Nations is considering how to respond to a shelling attack that claimed 35 civilian lives in Sarajevo, a UN official said here Tuesday [29 August].

"The French are in favor of using the Rapid Reaction Force, the Anglo-Saxons want NATO air strikes," said a UN source, referring to the North Atlantic Treaty Organization.

A source said here that there was a "strong probability" that Bosnian Serbs were responsible for the carnage.

A press conference that had been scheduled to take place on Mount Igman overlooking the city, where the Reaction Force's biggest guns are sited, was cancelled Tuesday.

The last barrier to a UN response appeared to have been removed when British peacekeepers in Bosnia pulled out of Gorazde a day ahead of schedule.

They arrived at the Yugoslav border late Monday, said Lieutenant Colonel Chris Vernon, a UN spokesman, early Tuesday. The departure had been planned for Tuesday.

RRF Unit Available for Action

AU2908133095 Paris AFP in English
1258 GMT 29 Aug 95

[FBIS Transcribed Text] Paris, Aug 29 (AFP)—The Franco-British-led Rapid Reaction Force [RRF] deployed on Mount Igman overlooking Sarajevo consists of more than 1,000 troops and a detachment of artillery. It is this force which could be called upon by the United Nations and NATO in response to the Bosnian Serb shelling of a Sarajevo market Monday [28 August] in which at least 37 people died.

The Mount Igman unit, part of an overall reaction force of 4,500 troops created on June 3, is tasked with protecting humanitarian aid convoys in and out of the city and UN posts in Sarajevo itself. It is composed of two infantry companies, one British and one French, an AMX tank squadron equipped with 40-mm guns, a medical unit and a field operational command post.

The most powerful artillery unit is a French battery of eight 155-mm heavy guns. A British battery has 12 105-mm guns and there are also 12 120-mm French and Dutch mortars.

The French heavy guns retaliated for the first time on August 22 against a Bosnian Serb mortar unit which had fired on a UN post about 20 kilometres (12 miles) away. The powerful 155-mm guns have a theoretical range of up to 28 kilometres (17 miles) and can fire six 43-kilogram (95-pound) shells in just 45 seconds.

Bildt Promises 'Military Response' for Massacre

LD2908154495 Stockholm Sveriges Radio Network in Swedish 1445 GMT 29 Aug 95

[FBIS Translated Excerpt] Following yesterday's massacre in Sarajevo, where 37 people died in a shelling attack, the Serbs must expect retribution, EU mediator Carl Bildt says. He is currently attending a Paris meeting of the international contact group. Our correspondent reports:

[Correspondent] More than 24 hours have passed since the shelling attack against civilians at the market hall in Sarajevo, and there has been no retribution; no NATO attack from the air against the rebel Serbs' artillery posts. But there will be a substantial military response to the massacre, EU mediator Carl Bildt told TT news agency this afternoon. [passage omitted]

Izetbegovic Promises Retaliation for Shelling

AU2808193095 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1700 GMT 28 Aug 95

[Statement by President Alija Izetbegovic in Mostar on 28 August—recorded]

[FBIS Translated Text] The news about this repeated Chetnik crime reached me here in Mostar, on my way to France. For a moment I hesitated whether to travel, to continue with this trip at all. I consulted my colleagues and we decided nevertheless to go to France to attend the talks. Apart from enemies we also have numerous friends in the world. However, unfortunately, the most numerous are the indifferent ones.

Our misfortune actually stems from the fact that the world is indifferent and has pursued an unprincipled policy toward Bosnia-Herzegovina and the entire crisis that has emerged here from the very beginning. Today's tragedy, the pictures that you have just seen on the television, and the scenes of mutilated people are actually all a result of the world's unprincipled policy, which abandoned us to be killed and at the same time tied our hands.

I am travelling there to ask them how long this situation will last and how long will this violence be tolerated. At the same time, I will tell them that we will no longer tolerate this violence. We will use all means to rid ourselves of this misfortune, and I would like to emphasize, all means.

As for the murderers, today's murders, and criminals, my message to them is that we shall retaliate in measure very soon. That day is not far. Thank you.

Muratovic: UN Reaction to Attack 'Immoral'

LD2808211895 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1800 GMT 28 Aug 95

[FBIS Translated Text] [Unidentified correspondent] Our guest today is Minister Hasan Muratovic [responsible for liaison with UNPROFOR]. You have been talking until 1900 with [UN commander for Bosnia] General Rupert Smith. Thank you for coming. You are obviously the best informed about everything we have seen so far, about what the UN Protection Force [UNPROFOR] knows about what Bosnia-Herzegovina TV viewers have seen. Please tell our viewers what you told us in the editorial office, with the same sincerity, tell us what all this is really about.

[Muratovic] First, I only managed to contact Gen. Smith at 1830. I know for certain that they talked to Mladic today, I also know his reply. We expected them [UN officials] to at least come and express their condolences to us, to show some understanding for the tragedy that has befallen us.

I can only say that all these statements by all these UN officials are immoral. They are all false. I began my conversation with Gen. Smith by saying that everyone in the world knew that the moment that grenade was fired on Sarajevo UNPROFOR knew exactly where it had come from; that when a grenade is fired at an UNPROFOR convoy or UNPROFOR soldiers, UNPROFOR would respond instantaneously with its Rapid Reaction Force against the exact position from which the grenade had been launched.

I want everybody to know, I want every lay person to know, that UNPROFOR holds the entire situation around Sarajevo in its hands, especially since the Rapid Reaction Force arrived; and that they always know where each and every grenade was fired from; and that they can always respond against that position with their Rapid Reaction Force.

The preliminary investigation's claim that the grenade came from the south, I personally told Gen. Smith that this was immoral and that he must take a balanced view of the situation, which he is still not reporting on. [passage indistinct]

Certain events took place, because of which they have found themselves in a mess. However, I must point out that the scenario for every great massacre, for every great tragedy of ours, is the same. UNPROFOR always end up in Serb hands whenever such tragic actions are carried out, when the most outrageous attacks against civilians are carried out.

[Correspondent, interrupting] Are the Serbs holding anyone hostage right now?

[Muratovic] The Serbs are holding hostage the last column of British soldiers trying to leave Gorazde. I warned Gen. Smith five days ago that his last column would be stopped by the Serbs. I said that people from every convoy leaving Srebrenica would be taken away and murdered. I warned him that people from the last convoy leaving Zepa would be taken away. [passage indistinct]

Not always but in most cases. Somebody said that they are being investigated, this is absolutely untrue. No attacks in connection with what I was talking about are being investigated.

[Correspondent] Why do AFP and their like disseminate such information?

[Muratovic] I asked Gen. Smith very openly...[pauses] the least we can do at this moment is tell these UN officials to their faces that we can no longer talk to them. Everyone knows that NATO Secretary Manfred Woerner defended Sarajevo; as soon as he departed Sarajevo was left unprotected. There are people who are the cause, of course, the Chetniks are the cause, but there are politicians who have been backing the Serbs for years; there are UN officials who are openly supporting the Serbs. I must use this undiplomatic language with these people. This time we must spit in their faces.

[Correspondent] Minister Muratovic, let us see, at this moment the Serbs are holding a UNPROFOR convoy hostage. The convoy with soldiers leaving Gorazde, is this the reason why Gen. Smith does not want to request NATO protection and refuses to disclose the information in his possession?

[Muratovic] I can understand why he does not want to call in NATO, but I cannot understand and accept the immorality of keeping people in a state of uncertainty over how today's tragedy had come about. I cannot forgive them for not saying that the Serbs today fired grenades from this or that position. Of course, the most honorable thing to do would have been for the Rapid Reaction Force to immediately neutralize these positions so they can no longer kill people from them. They can prevent such things from happening in Sarajevo nowadays. They failed to react, and that is why such a tragedy occurred.

If they are concerned about their army, and I can show some sympathy here for Gen. Smith, who is British...[pauses] but I cannot forgive him for embarrassing us before the world; on top of this whole tragedy he does not want to say how it occurred.

[Correspondent] Minister Muratovic, as President Izetbegovic and Prime Minister Silajdzic said, there is no longer any point in appealing to the world. We are perfectly aware of whom we have to deal with, those mountain people and those people from the west. Many things definitely have to be in our hands. What do you say to that?

[Muratovic] I believe that one person, a general in our army, is missing here tonight, although we have many generals. Our army must not remain indifferent to such things.

[Correspondent] Mr. Muratovic, thank you for being our guest this evening.

Bicakcic: Attack 'Opened Fire' on Peace Plan

AU2808153095 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1300 GMT 28 Aug 95

[Statement by Edhem Bicakcic, acting member of the Bosnia-Herzegovina Presidency, read by an announcer]

[FBIS Translated Text] Within a radius of a few dozen meters, in the same area, Vaso Miskin Street and Markale, this is the third massacre of civilians in a row, on 27 May 1992, 5 February 1994, and today, on 28 August 1995, that took more than 100 human lives while making hundreds of people handicapped.

It was established very exactly and definitively who had perpetrated all these crimes. On this occasion, Karadzic's men actually opened fire on the latest U.S. peace initative by killing the residents at the market. They shelled any slightest possibility of finding a political solution for the war in Bosnia-Herzegovina.

We have known for a long time what sort of inhumane creatures we are dealing with. The international community should realize this, too. The world has been attempting to negotiate with this Pale team of pathological murderers, sick liars, and [word indistinct] and bring them to the negotiating table for four years, pretending that it does not see their bloody hands and crazed looks. However, all in vain. They have responded to all diplomatic initiatives with mass-scale, premeditated, and (?carefully chosen) crimes of genocide. Pleas, boundless yielding, and futile words cannot halt criminals. All big principles on which Western democracy rests have (?been trampled upon) in Sarajevo today for the umpteenth time. If the crazed monsters are not stopped and if this is again overlooked then the world truly has no future. Markale will repeat itself again; however, Champs Elysees, Trafalgar Square, and Petersplatz will be the target of this growing tide of nationalism and fascism tomorrow, said Edhem Bicakcic, acting member of the Bosnia-Herzegovina Presidency.

Saudi Delegation Presents $32-Million Aid Check

AU2808180795 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1300 GMT 28 Aug 95

[FBIS Translated Excerpt] Alija Izetbegovic, president of the Bosnia-Herzegovina Presidency, received a delegation of a high Saudi committee, headed by Prince Selman [words indistinct], envoys of the committee's director, in Mostar today.

The Saudi delegation presented President Izetbegovic with a check in the amount of $32 million, which is a part of the (?$110 million) aid that is being collected in Saudi Arabia in an action to help Bosnia-Herzegovina. [passage omitted]

Shell Hits Sarajevo Hospital; Two Injured

AU2808181695 Paris AFP in English
1747 GMT 28 Aug 95

[FBIS Transcribed Text] Sarajevo, Aug 28 (AFP)—Two hospital patients were injured Monday [28 August] when a shell hit Sarajevo's Kosevo Hospital in the steady shelling that followed an attack that killed at least 35 at the market early in the day.

A single artillery shell hit Kosevo Hospital's neurosurgery clinic at about 6:30 p.m. (1630 GMT), wounding one patient seriously and a second slightly, hospital staff said.

The hospital treated 61 of the 89 people injured in the attack on the market, as well as at least one other civilian wounded in afternoon shelling in the northern Sarajevo neighborhood of Breka.

The wounded patients were not among those injured earlier in the day.

The official Bosnia-Herzegovina radio reported that two other people were killed and five injured in shelling of the eastern area of town, near the Mount Igman road.

Serbs Resume Artillery, Tank Attacks on Sarajevo

AU2908083495 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 0800 GMT 29 Aug 95

[Report by the 1st Corps Information Service]

[FBIS Translated Text] [Words indistinct] Markale Market in Sarajevo, killing 35 and wounding 90 civilians, the Chetniks overnight continued artillery and tank attacks on Sarajevo. Late last night, all of Sarajevo's urban centers and suburbs came under fire from large caliber artillery. Dozens of artillery rounds were supported by intense sniper fire and antiaircraft gun and machine gun fire that targeted Sarajevo streets and intersections.

The enemy stepped up small arms fire along the demarcation lines. The intensity of the attacks died down after midnight and early this morning, so that Sarajevo is having a relatively calm day.

Croats Resume Shelling of Trebinje Area

LD2008205595 Belgrade TANJUG in English
2038 GMT 28 Aug 95

[FBIS Transcribed Text] Bileca, Aug 28 (TANJUG)—After two days of comparative calm, the artillery of neighbouring Croatia resumed on Monday its shelling of civilian targets in the Trebinje area in the south of the Bosnian Serb Republic, Bosnian Serb Army sources said.

The statement specified that heavy artillery fire had been directed against almost all villages in the Trebinjska Suma and Zubatac areas, south and southeast of Trebinje.

There were no civilian casualties, but the shellings caused further damage to residential and other facilities, the statement added.

Bosnian Serb Army sources reported also continued Muslim infantry and artillery assaults on Monday on Bosnian Serb positions on the plateau on Mt. Treskavica, about 50 km southeast of Sarajevo.

All assaults were repulsed, leaving the lines of separation unchanged, and the attackers sustained heavy casualties, the statement said.

Bosnian Serbs Reject UN Statement on Sarajevo

AU2908140995 Paris AFP in English
1341 GMT 29 Aug 95

[FBIS Transcribed Text] Belgrade, Aug 28 (AFP)—The Bosnian Serbs on Tuesday rejected "UNPROFOR's [UN Protection Force's] assumptions" that they were responsible for the shelling of the Sarajevo market claiming 37 lives.

The Serbs' "information minister" Miroslav Toholj said "we do not accept these assumptions," adding: "From what I can see the United Nations has reached these conclusions by itself through a convergence of circumstances."

Karadzic Accuses Muslims

LD2808175295 Belgrade TANJUG Domestic Service in Serbo-Croatian 1711 GMT 28 Aug 95

[FBIS Translated Text] Sarajevo, 28 Aug (TANJUG)—Radovan Karadzic, president of the [Bosnian] Serb Republic, has said that the Muslim side stage-managed today's massacre in Sarajevo in order to halt peace negotiations on former Bosnia-Herzegovina.

"It was to be expected that the Muslim side, as it has always done until now before important stages in negotiations, would stage-manage a massacre of its own population in order to sabotage the peace process," Karadzic said in a statement for SRNA ahead of an Assembly session on Mount Jahorina.

According to the Serb Republic president, "whenever we approached decisive moments in negotiations or whenever an important official was visiting Sarajevo, we witnessed similar incidents."

"I hope that the international community and media will not be taken in by this provocation; we energetically demand the setting up of an international investigating commission which will also include one of our experts, to examine who bears responsibility for this," Karadzic said.

Commenting on a Muslim artillery attack on a church in Blazuj today, on the Christian Orthodox holiday of Assumption, Karadzic said that this was "a continuation of their criminal behavior, which does not suprise us."

Mladic Proposes Commission

LD2808150595 Belgrade TANJUG Domestic Service in Serbo-Croatian 1412 GMT 28 Aug 95

[FBIS Translated Text] Belgrade, 28 Aug (TANJUG)—The Bosnian Serb Republic Army [BSA] was not involved in this morning's serious incident in Sarajevo, and it does not have in its arsenal a weapon capable of harming such a large number of people, a communique issued by the BSA General Staff Information Service says.

This denial was prompted by reports broadcast by Muslim and other media, which say that the BSA targetted Sarajevo, killing 32 civilians and wounding a number of others in the area of Markale.

In a telephone conversation with General Smith, UNPROFOR [UN Protection Force] commander for former Bosnia-Herzegovina, Colonel General Ratko Mladic, chief of the General Staff of the Bosnian Serb Republic Army, proposed setting up a joint commission made up of representatives of UNPROFOR, Muslim, and Serb sides in order to establish the real truth.

The BSA General Staff says that this is yet another stage-managed scenario by the Muslim side aimed at halting the peace process and provoking NATO into bombarding Serb defense positions and civilian targets around Sarajevo, by which it would openly side with the Muslims, all this falling neatly into the well-known intentions of some militant circles, the communique says in conclusion.

Krajisnik: Assembly To Adopt New Negotiating Plan

LD2808130995 Belgrade SRNA in Serbo-Croatian 1104 GMT 28 Aug 95

[FBIS Translated Text] Sarajevo, 28 Aug (SRNA)—Momcilo Krajisnik, president of the People's Assembly of the Serb Republic, confirmed today that a Serb Republic delegation held talks with EU mediator Carl Bildt two days ago.

In a statement to SRNA, President Krajisnik added that deputies to the People's Assembly are to be briefed about the results of these talks at an emergency session, which is to begin at 1600 this afternoon. Krajisnik, who was a member of the Serb negotiating delegation, said that this second meeting with Bildt and his aides was devoted to examining "certain technical issues."

"At our first meeting we agreed that the Serb side should prepare its stands and examine the stands of the other warring sides, so that our views on constitutional principles and maps of territorial division of the former Bosnia-Herzegovina may be brought closer," Krajisnik explained.

The People's Assembly president said that "nothing specific has been agreed, but optimism exists, because the international community understands that certain changes in the treatment of the warring sides have to be made."

Krajisnik said that today's fourth emergency session of the Serb Republic Assembly, with regard to examining the latest initiatives put forward by the international community for the peaceful resolution of the conflict in the former Bosnia-Herzegovina, will adopt a new negotiating platform, "which will include some new elements."

A new platform for the continuation of negotiations will be adopted in accordance with the newly created situation, but "it will not depart from the strategic commitments and strategic interests of our people," which are expressed in previous documents, Krajisnik said.

Speaking about the maps on the territorial division of Bosnia-Herzegovina, the Assembly president reiterated the Serb position that, when dealing with territorial division, one should give equal consideration to the quantity and quality of territories "in order to create two viable states."

We do not know whether the international community has abandoned its plans to divide former Bosnia-Herzegovina according to the 51 to 49 percent principle, but the fact is that now there is open talk about two states, the Serb Republic and the Croatian-Muslim federation, Krajisnik said, adding that at the moment "the most important thing is that the Serbs should be granted the right to self-determination in order to decide for themselves on the future of their state."

According to Krajisnik, these are "the minimum conditions on which we cannot compromise."

Today's session of the Republic's Assembly will discuss the military situation in the Serb Republic and overcoming misunderstandings between Pale and Belgrade, as well as the latest peace initiative by the international community.

"We would like to improve relations with the Federal Republic of Yugoslavia, because we believe that if we are united we can better protect the interests of the Serb Republic and the Serb people on the whole," Krajisnik said at the end of his statement for SRNA.

Karadzic Urges 'Favorable View'

AU2808194995 Paris AFP in English 1936 GMT 28 Aug 95

[FBIS Transcribed Text] Banja Luka, Bosnia-Herzegovina, Aug 28 (AFP)—Bosnian Serb leader Radovan Karadzic told his "parliament" late Monday [28 August] to take a favorable view of the U.S. peace initiative for the war-torn former Yugoslav republic.

"The American initiative, as far as we know, takes into account a maximum of Serb interests, and I hope our parliament will welcome this offer favorably," Karadzic said on Serb radio in Pale, the Bosnian Serb stronghold near Sarajevo.

The Serb Assembly, which met Monday behind closed doors in Jahorina, near Pale, was expected to adopt a "new platform" for peace negotiations in Bosnia, speaker Momcilo Krajisnik also said on Serb radio.

The U.S. plan would divide Bosnia into Serb and Croat spheres of influence.

Assembly Endorses U.S. Plan

LD2908072695 Belgrade SRNA in Serbo-Croatian 0337 GMT 29 Aug 95

[FBIS Translated Text] Sarajevo, 29 Aug (SRNA)—The fourth emergency session of the Serb Republic People's Assembly ended early this morning with the welcoming of the U.S. initiative for the political resolution of the conflict in the former Bosnia-Herzegovina.

The Assembly expressed the readiness of the Serb Republic to conclude a permanent and just peace.

One of the conclusions adopted at the Assembly session is that a legitimate delegation of the Serb Republic must be included in negotiations on the resolution of the conflict in the former Bosnia-Herzegovina, and that the Serb Republic must have a synchronized joint approach with the Federal Republic of Yugoslavia before the international community.

The People's Assembly also calls for the complete normalization of political and economic relations between the Serb Republic and the Federal Republic of Yugoslavia.

Joint Delegation to Future Talks

LD2908092995 Belgrade SRNA in Serbo-Croatian 0755 GMT 29 Aug 95

[FBIS Translated Text] Sarajevo, 29 Aug (SRNA)—The Serb Republic and the Federal Republic of Yugoslavia will send a joint delegation to future peace negotiations with the international community, but every solution on offer will have to be verified by the Serb Republic People's Assembly.

This conclusion, adopted by the [Bosnian] Serb Parliament, was confirmed by the president of the assembly, Momcilo Krajisnik, at 0430 [0230 GMT] today after the end of the fourth emergency session; in the course of the session it was amended to the 53d regular session.

Krajisnik stressed that such a position was "suggested by EU envoy Carl Bildt during a recent meeting with the Serb Republic delegation."

"According to the conclusions of today's [28 August] parliament session, a delegation of the Serb Republic must participate in future peace negotiations with the international community together with a delegation of the Federal Republic of Yugoslavia. Therefore it is obliged to coordinate its platform with the Federal Republic of Yugoslavia for the well-being of the entire Serb nation and the attainment of the Serb Republic's strategic goals," Krajisnik explained. He added that the Serb side has always advocated such a position.

According to Krajisnik, this will be a precursor of confederal links between the Serb Republic and the Federal Republic of Yugoslavia, i.e., of future unification of these two entities.

Krajisnik said that an authorized delegation of the People's Assembly, which will also include members who will be authorized by the Serb Republic president and government ministers, is due to hold talks with representatives of Serbia.

The Serb Republic delegation is also obliged to brief the People's Assembly about all its contacts and solutions on offer.

According to Krajisnik, this sequence of events should result in the lifting of the blockade on the Drina River, because there is now no reason why Serbia should persist in this form of approach, particularly as "international mediators who had insisted on this are now not opposed to it."

The People's Assembly president said that today's session welcomed the U.S. initiative for a political resolution of the conflict in former Bosnia-Herzegovina, although there are "some elements that are still unknown, but also many elements that give rise to our optimism in the possibility of attaining a final resolution of the crisis and the restoration of peace in the former Bosnia-Herzegovina."

"In this way we give our consent for the continuation of negotiations, and now there is much more chance to achieve peace, unlike the contact group plan which was totally unreasonable for the Serb side," Krajisnik said.

Krajisnik on Krajina's Fall, Peace Negotiations

AU2908085095 Banja Luka Srpska Televizija in Serbo-Croatian 1905 GMT 25 Aug 95

[Speech by Momcilo Krajisnik, chairman of the Bosnian Serb Assembly, in Bileca on 23 August—recorded]

[FBIS Translated Text] We do not have the right nor do we want to dabble, draw maps, or do anything the way it has not been done so far without the consent of the people, the Assembly. Nobody has done anything.... There can be a hundred proposals, but all proposals must be ratified by the assembly. Secondly, tactical situation is the best way to achieve a solution on the map.

A terrible campaign has been launched to create a rift, not only a rift but to completely destroy the Serb Republic. I claim with full responsibility that our enemies have very fertile ground, that they have executors who carry out their orders trying to tear the Serb Republic apart, creating a rift between the military command, i.e. between the general staff and the supreme command, and the civilian authorities. On the other hand, we have the Republic of Serb Krajina. Listening to the reports, statements of high officials from Serbia and Montenegro in particular, we cannot help wondering what will be said in 10 years, when all this is forgotten, when some people already have the gall to ascribe all the blame to this leadership. I do not see why I should not say this now: everybody is partly responsible for the Republic of Serb Krajina. It tells us exactly how much every one of us is to blame.

As regards the Serb Republic, if Glamoc and Grahovo had not fallen, it would have been very difficult for the Croats to come and seize Knin, and here lies a weakness of our army, i.e. our weakness, the weakness of the Serb Republic. We should have done everything....If units from Srebrenica and Zepa had come in two days, this would not have happened. Or better yet, it would have been prolonged, and I am convinced it would not have happened. [sentence as heard] Rumor has it that the state leadership did not allow that, etc. That is a lie. In my opinion, it was all very badly planned and this contributed to the fall of the western part of the Republic of Serb Krajina. That is a small part, a small part of the blame, but the biggest mistake was that the Republic of Serb Krajina was politically destroyed by various backroom dealers from Serbia. You saw that some applauded Mikelic, some Martic, some Babic. That triangle destroyed them and just as they had the opportunity to consolidate, it was already too late.

I think we must now negotiate and do everything to bring the war to an end. That will be our goal. We must not let the chance slip by and I think the time has come to find a solution through negotiations.

As regards the Republic of Serb Krajina, we must make it clear, whenever we negotiate, that the Republic of Serb Krajina, regardless of the fact that our nation recovers fast from our tragedies and deals with the present or the future, considering the past our history, the Serb Krajina must always be present in negotiations. Unification with the FRY and Serbia must always be our goal. We should never strive toward creating a state of our own. Instead, a realistic situation must be created during negotiations on unification, i.e. we must secede from former Bosnia-Herzegovina and unite with Serbia. It does not matter that we have different views on the system and everything else, that is beside the point. What matters is that the Serbs have a unified Serb state. Our primary goal was to remain in Yugoslavia and we have never deviated from that.

On Prospects, Bildt Talks

AU2808212195 Belgrade NIN in Serbo-Croatian 25 Aug 95 pp 14-16

[Interview with Momcilo Krajisnik, chairman of the Bosnian Serb Assembly, by Jovan Janjic; place and date not given: "We Are Healthy Serbs"]

[FBIS Translated Text] Following the fall of the western part of the Republic of Serb Krajina, attention on the Serb Republic has almost doubled in size. We are talking to Momcilo Krajisnik, chairman of the People's Assembly of the Serb Republic, about what steps should be taken now, and how these should be taken.

[Janjic] Mr. Krajisnik, you recently attended secret talks in Geneva with cochairmen Bildt and Stoltenberg. What did you discuss?

[Krajisnik] The meeting was arranged with the help of an embassy in Belgrade. The meeting was supposed to be secret, but because nothing is inaccessible to journalists, this secret was disclosed.

Regarding the meeting itself, we exchanged views on all the essential elements of the future plan to settle the crisis in Bosnia-Herzegovina. We were given assurances and shown understanding regarding some issues that have been contentious up to now. As regards the maps, this refers to a compact territory and to the fact that consideration must be given to the creation of two separate territories, two separate states that would be economically, militarily, and politically connected, that would be compact and viable states. This represents considerable progress in talks. In the past, everything proceeded from the need for the Croat-Muslim state to be viable, and no consideration was given to the viability of the Serb Republic.

[Janjic] Does this represent a kind of indication that the Serb Republic will be recognized?

[Krajisnik] You see, regarding the constitutional principles, this is still open for discussion. I think that the international community is still striving for an integral Bosnia-Herzegovina and much effort will be needed to find a formula, which they call a union, that would unite these two states. We served notice that the Serbs want peace to be established in Bosnia-Herzegovina, a lasting peace. If a lasting peace is to be established, the real situation must be taken into account, and this is that Bosnia-Herzegovina does not exist, that it is divided, and that separate states have already been functioning for more than three years. If all this were now to be ignored, the war would continue.

[Janjic] What is your general assessment of the U.S. plan?

[Krajisnik] I think that it is good that we have moved from the standstill, that there is a view that certain corrections must be made, that the Serb objections that the corridor must be broadened and that enclaves cannot be expanded have started to be taken into account, and that both states must be viable. Members of the Contact Group were aware of that even at the time of the adoption of the Contact Group's plan and the drawing of the maps, but they wanted to try, or to be more precise, they intended to impose at any cost a solution that the Serbs would reject so that the war would continue. A whole year was wasted on that plan when it was known the Serbs could not accept it. The war continued, many lives have been lost. We blame the Contact Group for that, because it did not find a solution. If it had done this unintentionally, then this was done out of ignorance about the situation, but if it had done it intentionally, then this is a crime.

[Janjic] There are rumors that you have reached an agreement with the Croats on an access to the sea. Who represented the Croat side in the talks?

[Krajisnik] It is not correct that we have reached an agreement with the Croats. During the conference, during the course of negotiations in the past two to three years, we have had many meetings with the parties to the conflict. In addition to the Croat side from Bosnia-Herzegovina, the talks had frequently been attended by a representative of Croatia. To be more specific, the majority of such meetings were also attended by President Tudjman himself. At these talks we received a consent from them, that is, they first expressed understanding that the Serbs would never accept the fact that they are so close to the sea and yet that the Croats are keeping them far away from it. This was also stated by Tudjman himself during one round of talks: "I agree that we will have to give you the sea when the whole of Krajina is solved. If we do not give it to you, you would always strive for it. This would be a large area and this would be a war." [sentence as published]

These were the talks with Tudjman at that time, this was Tudjman's consent. We do not trust such promises, but are only reminding people of such agreements, because the Croats have agreed on many things with the Serbs, but did not keep their promises. We will retain our natural right to an access to the sea and we will always emphasize this problem, as we are more in favor of discussing this issue than waging a war. But we will not agree under any condition to abandon our natural right to an access to the sea. This right belongs to us on the basis of the Corfu Declaration and various arrangements made during the creation of previous Yugoslavias.

[Janjic] What is the future of the Serb Republic following the fall of the western part of the Republic of Serb Krajina?

[Krajisnik] We are aware that the current political and military situation is very complex and that there is an enormous danger for the sovereignty and the future of the Serb Republic. I am saying this because there we have a very formidable enemy, an enemy that we have helped to affirm itself and even to represent, at least to itself and to some of our other enemies, as a regional power. Actually, this is not correct, but this is at least how the Croatian side is presenting itself, which means that under this euphoria it may try to attack our territory.

I think that the shock that had ensued after the fall of the western part of the Republic of Serb Krajina and after the exodus of a large number of refugees is now over. We have consolidated our ranks. The Serbs retain the right to liberate the Serb Krajina, but our Army and our people will make efforts to defend our borders. This is a precondition for any political solution. I think that the main, acute danger is behind us, but there is a permanent threat, the one that is coming from Croatia and the Croat-Muslim federation.

[Janjic] What is your comment about Franjo Tudjman's map in THE TIMES of London, according to which two thirds of Bosnia-Herzegovina would belong to Croatia while Serbs would get only the Podrinje region?

[Krajisnik] It is good that Mr. Tudjman has said that this was not his, but NATO's map. Tudjman's map, which we have, is completely different. One of his maps has the Drina River as its maximum aim, while the other depicts a wide corridor from Bihac toward Livno, and apart from western Herzegovina, it includes Jajce, Bugojno, and Travnik, these are the borders of Banovina. This would belong to Herzeg-Bosnia. The Muslims would get the territory around Mt. Romania and the Tuzla canton. The Serbs would get something over 40 percent of the territory. This is some kind of minimal demand of his. We think that this map was proposed to cause panic among our people, to destabilize the Serb Republic, to take some territories. If we accept any maps from Mr. Tudjman, and if we rely on our enemy and not on our real military forces, then we will not get anything in Bosnia-Herzegovina. We do not have any territories that someone can give us out of his mercy, neither the Croats nor the Muslims. They would in fact give us nothing.

[Janjic] What do you expect to happen in the areas where the situation in the Serb Republic is the most critical, such as Glamoc and Grahovo, Ozren and Doboj, Sarajevo...?

[Krajisnik] In all these, if I may call them, critical locations, in the hotbeds where the enemy is attacking us and where it thinks it can have successes, strong propaganda is being conducted by circles opposed to the Serb Republic, by those who want to destabilize the Serb Republic the way they destabilized the Republic of Serb Krajina. It is incomprehensible that such a propaganda should more or less be officially helped and supported, and even publicly conducted by some official circles in Serbia. These actions in fact destabilize the entire country.

Fortunately, our soldiers are firmly holding the front and the lines of separation, although this propaganda is very dangerous at times, and has done certain damage. We had to spend a great deal of time dealing with our own affairs. The entire republic has been mobilized. Soldiers have been sent to defend all regions. We are optimistic that no lines will fall and that there will be no more critical situations.

[Janjic] You are probably referring to a report that has recently been published that there was a military coup in the Serb Republic?

[Krajisnik] Yes. There have been many reports that had such a strong psychological impact on the stability of the Serb Republic. Various regions are allegedly being given away, given as a present, and exchanged.... The culmination of these reports was the rumor that there was a military coup and that the president of the republic had been arrested. This was not a street rumor, but was broadcast by media. President Karadzic had not appeared in the public for several days because he was busy, and this was enough to give rise to various speculations. We cannot understand how serious agencies can be involved in such manipulations. However, it is obvious that many agencies and many serious newspapers have put themselves in the service of daily politics and that they serve someone who wants to accomplish his aim.

[Janjic] What is the real source of this information, or rather disinformation?

[Krajisnik] I want to tell you sincerely that we do not understand why attempts are being made to shift all the anathema for the exodus of the people from the Republic of Serb Krajina onto the Serb Republic. We do not understand how some people mustered courage and from where they have gotten their journalistic and political honor so that they try to falsify the factual situation. This craving that has been felt in some media in Serbia is incomprehensible. We can express our surprise but cannot understand that so much bitterness has been expressed toward the Serb Republic and its leadership. In this very difficult situation we understand that we cannot get support for various reasons, Serbia cannot enter the war, it needs the sanctions to be lifted, but we cannot understand all the blows and all the pressure and desires to make the Serbs from the Serb Republic the only culprits.

[Janjic] Do you think this is the case of shifting the blame onto someone else?

[Krajisnik] Yes. Attempts are being made to shift the greatest part of the blame because Yugoslavia had not found the way to protect the Republic of Serb Krajina, and yet it was obliged to do so according to the Vance plan. The fact that it did not find the way, or did not want to, or was not able to, this is less important at this moment. The Serb Republic is also being blamed for failing to be a guarantor and for failing to fulfill its obligations. The Serb Republic faces a respectable enemy; two thirds of the army of the former Bosnia-Herzegovina is fighting against one third, the Serb side, and we have enough trouble defending our territories. This is why the Serb Republic could not be the guarantor, especially because the Federal Republic of Yugoslavia was officially the guarantor according to the Vance plan.

[Janjic] How did the fall of Grahovo and Glamoc happen? Is there any connection between this and the liberation of Srebrenica and Zepa?

[Krajisnik] Attempts are being made to impute some things on us that do not have anything to do with one another. The regular Army of Croatia had entered our territory. Very strong forces had attacked Grahovo and Glamoc and for a short period of time the Croatian Army managed to take control of these regions. The Serb Republic put up strong resistance. It is being imputed that the Serbs went to liberate Srebrenica and Zepa and did not go to help Grahovo. Srebrenica and Zepa were liberated exclusively by the forces that held, that is, defending the Serb regions around Srebrenica and Zepa. These forces could not go to defend and liberate Grahovo and Glamoc, but had to be there. They had been there even before the offensive.

[Janjic] You said that many people are playing the card of Serb discord. How would you describe the current relations between the military and political leadership of the Serb Republic?

[Krajisnik] We cannot overlook the fact that there is a certain rift. We have many good quality officers, and they have demonstrated this throughout the fighting. But what is significant is that the rift between the military command and political leadership has recently been fostered. This rift resembles the one that existed in the Republic of Serb Krajina. I do not know what the final intentions and purpose are, but it is obvious that this conflict has occurred in the very sphere of command. This was the reason why Mr. Karadzic, that is, the supreme commander, had made a certain decision. It is a well-known fact that when there is a crisis in the system of command, this is then not a matter of inability and incompetence, but a matter concerning the system of command.

Since certain difficulties and differences in views arose, especially among the generals who are the most competent to express their views, I think that the decision by President Karadzic was wise and that it was aimed at overcoming this, so to speak, small rift. It was even wiser to withdraw this decision, rather than to insist on it. After all, the most important thing is that we achieve unity.

[Janjic] Why has a media blockade been introduced against the military?

[Krajisnik] It is impermissible for the General Staff, that is, its Information Service to issue statements. Simply, the military people must pursue their profession. They are not journalists or politicians to present their views in this manner. I do not believe that there was a blockade. I believe that attempts are being made by some people to prove who is right and who is wrong, to attain more prominence, and to become more influential. I believe that it is neither good nor justified for people not to obey the command structure set by laws and the Constitution, and I do not support statements made by the Information Service of the General Staff. They did not help us overcome problems, but they just poured oil on the fire, which, I believe, was done ineptly and not maliciously.

[Janjic] From everything that has been said so far it transpires that the Serb Republic faces many trials in the future. Do you expect any help from the Federal Republic of Yugoslavia?

[Krajisnik] We think that the Federal Republic of Yugoslavia must be aware of the fact that the Serb Republic should not be left to its own devices. It is in the interest of the Federal Republic of Yugoslavia that the Serb Republic be preserved, as it represents a buffer toward Serbia and Montenegro. There is also brotherly obligation, and considering Serbia's past experience and natural rights, we have the right to expect help and support from the Federal Republic of Yugoslavia, from Serbia and Montenegro, in times of trouble. We do not know whether the help will come, but in any case, the Serbs from the Serb Republic will defend themselves as there will be no second chance. We do not have the right to risk everything, and we still have many free resources for the defense of the country. We would be more glad, and we also have the right to that, if the Federal Republic of Yugoslavia did its utmost to help us. The regular forces of Croatia are waging war in Herzeg-Bosnia, this is quite clear. They are even fighting in the Muslim part of Bosnia-Herzegovina. We are not asking the Army of Yugoslavia to fight, but not to fight, and not get involved in the fighting. But the Serbs in the Serb Republic can be helped in various ways. We have the right to that and we expect it. This is natural as we are one nation.

[Janjic] So, you are convinced that the Serb Republic can defend itself without help from the east side of the Drina River?

[Krajisnik] I am convinced that we have to defend ourselves. If we have to do it, we will do it, if we have hope and faith. However, there is a great danger of the Serb Republic finding itself in a very difficult situation as, after all, it faces a respectable enemy. This is why I say that it is incomprehensible that our brothers are idly watching how this enemy is attacking us, especially in view of the fact that it is illogical that Croatia should interfere in the war and Serbia not do anything while a section of its people are being attacked.

We appeal to the Serbian people, we appeal to the leadership of Serbia and Montengro to muster strength so that we can overcome our differences, so that Serbs can unite and rally to defend their ethnic territories. There is a healthy element of the Serb nation here and it would be a misfortune, God forbid, if something similar that happened to the Republic of Serb Krajina happened to us. A large number of refugees would have to go to Serbia. Many of them would not be able to stay in Bosnia-Herzegovina. The exodus that would take place would be fatal for the entire Serbhood. Little effort is needed to preserve the Serb Republic. This is why we expect and demand and have the right to help from the Federal Republic of Yugoslavia finally to finish this Serb national and state job.

Serb Socialists Condemn Sarajevo Shelling

AU2908100195 Belgrade Radio Beograd Network in Serbo-Croatian 0800 GMT 29 Aug 95

[FBIS Translated Text] On the occasion of yet another monstrous crime against civilians in the center of Sarajevo (?and) near the Orthodox Church in (Blazuj) yesterday, the Socialist Party of the Serb Republic has most harshly condemned its initiators and executors. A statement issued by the Executive Committee of the Socialist Party of the Serb Republic says the following:

The dark scenario of the advocates of war has been repeated for the umpteenth time; at a time when there are realistic chances for peace, this chance is being destroyed by a (?mass) crime against civilians. The presence of the cameras of numerous television stations, headed by the inevitable CNN, at the site of the crime in the center of Sarajevo, the urgent session of the Muslim government, Silajdzic's demand that the current U.S. peace initiative be suspended and Serb positions bombed, as well as the rejection of the peace initiative by the Muslim military commander Delic, provide us with the basis for the suspicion that what was involved here was a deliberate ploy of the extremist Muslim government in Sarajevo with a view to having the Serb side condemned again and the resumed peace process undermined.

We hope that UNPROFOR members will [word indistinct] a speedy, thorough, and impartial investigation and inform the world public about the results, thus preventing anti-Serb propaganda from [words indistinct] and again accusing the Serbs of that crime, the Socialist Party of the Serb Republic statement says.

In the name of the civilian population, particularly the innocent children of all three hapless imprisoned peoples, who are the greatest victims of this mindless war, we implore the international mediators and all factors taking part in solving the crisis on the territory of former Yugoslavia, not to allow such direct crimes to halt the peace process, as peace is what all three people want, peace, which is indisputably their greatest interest, the statement further says.

On this occasion, we again call on the leadership of the Serb Republic and assembly deputies to show a minimum of responsibility to their own people and accept (?the modified) Contact Group plan, thereby taking advantage of the last chance to stop the war through negotiations. We are convinced that it is through diplomatic means alone and in cooperation with Serbia and the international community that our national aims can be achieved: To be sovereign on our ethnic territory and equal to other peoples.

We support those assembly deputies who publicly advocate the acceptance of the peace plan and who support the constructive and rational peace policy of Serbian President Slobodan Milosevic. We call on other assembly deputies to join them, thereby justifying the confidence of the people who elected them. We also expect public support from prominent intellectuals and businessmen who would encourage the Serb Republic's state leadership to accept the peace plan and coordinate policy with the state leadership of the Federal Republic of Yugoslavia and Serbia, thereby fulfilling the will of the Serb people in general, the statement of the Executive Committee of the Socialist Party of the Serb Republic says.

Serb Official: Muslims Shell Sarajevo Hospital

LD2608133295 Belgrade TANJUG Domestic Service in Serbo-Croatian 1235 GMT 26 Aug 95

[FBIS Translated Text] Belgrade, 26 Aug (TANJUG)—Dr. Dragan Kalinic, minister of health of the Serb Republic, today sent a letter to Sandro Barani, the head of the ICRC [International Committee of the Red Cross] office in Pale, in which he points out that the Muslim side is blatantly violating the norms of international humanitarian law.

"Muslim artillery yesterday hit the building of Kasindol hospital in Serb Sarajevo. On this occasion four civilians were seriously wounded, two of them health workers and two patients, who are in danger of losing their lives, while large-scale material damage was caused to the building," the letter says. The contents of the letter were carried by the SRNA news agency.

"There was no reason whatsoever why the hospital, visibly marked with Red Cross markings, should be the target of military attacks," Minister Kalinic stresses. He states that the position of this facility is well known to the Muslim side and concludes that on this occasion, too, the intention of the Muslim army was to kill civilians, patients, and medical staff in this hospital.

Tudjman Calls For Legislative Elections

AU2808121195 Paris AFP in English
1153 GMT 28 Aug 95

[FBIS Transcribed Text] Zagreb, Aug 28 (AFP)—Croatian President Franjo Tudjman, emboldened by recent military gains, said Monday [28 August] that legislative elections will be held by the end of the year, ahead of the scheduled date next spring.

"There will be elections this year," Tudjman told the daily SLOBODNA DALMACIJA (FREE DALMATIAN) without specifying a date for the legislative poll.

General elections had originally been scheduled for spring 1996.

Tudjman said he would head the list of his party, the Croatian Democratic Union (CDU), which postponed free elections organized in 1990, one year before the outbreak of war in the ex-Yugoslavia. The CDU has since held the majority of the 138-seat parliament.

The president made the announcement while making a campaign-like trip on a train called "Liberty," which marked the reopening of the line from Zagreb to Split, on the Dalmation coast, through territory captured by Croatian forces in an early-August offensive against secessionist Serbs in the Krajina region.

The Croatian president did not hide the fact that he hopes to take advantage of the euphoria created by his army's victory over the Krajina Serbs to consolidate the power of his party, which has been hit by financial scandals and a sagging economy.

Tudjman, under strong international pressure, has renounced his intention to recapture eastern Slavonia, the last Croatian territory still in the hands of breakaway Serbs.

"I will wait to see if the (U.S.-led peace) initiatives will allow Croatia to reestablish its authority over Vukovar and Baranja (eastern Slavonia), without which I will make a decision," Tudjman said.

Granic Sends Condolences to Sacibegovic

LD2808174695 Zagreb Radio Croatia Network
in Serbo-Croatian 1700 GMT 28 Aug 95

[FBIS Translated Text] Croatian Foreign Minister Mate Granic today sent a letter of condolence to the Bosnia-Herzegovina Foreign Minister Muhamed Sacirbegovic, which said:

The artillery attacks and murder of unprotected civilians are horrifying, most deplorable, and call for appropriate punishment of the perpetrators. This crime dramatically shows that it is high time for decisive peace efforts by the entire international community in order to finally bring the aggressor to the negotiating table and find a lasting and just solution to the crisis in war- ravaged Bosnia-Herzegovina.

Allow me, in this painful hour, to underline the sincere dedication of the Republic of Croatia to the further development of its friendly and expanding cooperation with the Republic and Federation of Bosnia-Herzegovina on the basis of the complete implementation of the Washington Agreements and the Split Declaration, Granic said in his letter to Sacirbegovic.

General Cermak Explains Situation in Knin

AU2908123295 Zagreb VJESNIK in Serbo-Croatian
21 Aug 95 p 4

[Interview with General Ivan Cermak, commander of the Croatian Army District of Knin, by Jadranka Klisovic: "Martic Was First To Escape From Knin"]

[FBIS Translated Excerpt] [Passage omitted] The commander of the Croatian Army District of Knin is General Ivan Cermak, whom we asked at the beginning of our interview what is going on with the establishment of the Knin Army Command, what problems he is encountering in his everyday activities....

[Cermak] In the first 10 days after "Operation Storm" we were creating the basic necessary conditions for life in the town, and that means we were dealing with electricity, water supply, public utilities. It took some time for the public kitchens to start operating, to accommodate our Army and the police, to improve sanitary conditions on the ground. As regards the Army Command, so far we have done nothing; we have neither organized anything nor has anything started operating in the military sense. We have dealt with other problems that demanded urgent solutions. [passage omitted]

We have very good relations with the international organizations, UNCRO [UN Confidence Restoration Operation in Croatia], and the European observers. From the first day UNCRO put their engineering units and equipment at our disposal, which helped us repair the waterworks and remove the obstacles from the main communications. They have also put their pyrotechnic units at our disposal; they gave us and showed us all the maps they had. The people from UNCRO told us everything they knew about the mined areas.

Attacking Transformer Station With Hand Grenade

[Klisovic] Now that you mention the areas that have been mined, how far have you come with minesweeping, which areas have been most densely "sown" with mines?

[Cermak] One must first be aware that we are talking about a very large area that was liberated in "Operation Storm." The mines have been mostly systematically laid along the demarcation line. So, those are the areas outside the main communications, and therefore we are constantly warning people to use the main roads, not to use minor roads, particularly not to go into fields, woods, onto meadows, because the minesweeping is not over yet and it will take some time until the whole area of the former Sector South is cleaned of both mines and other explosive means.

[Klisovic] Are there, in the area, still armed rebel Serbs who have been hiding in the woods, cellars, attics? There were many of them in the beginning.

[Cermak] I think that in the town of Knin itself and in the immediately surrounding area there are no more rebels, although we arrested one Chetnik last Wednesday. In broad daylight one armed Chetnik came to the transformer station in Vrbnik, a village near Knin, guarded by members of a Home Guard regiment. The Chetnik had discharged a whole frame of ammo, and then threw a hand grenade onto the transformer station. The hand grenade rebounded off the transformer station and wounded him and two of our men. Here, they still act on the verge of madness and fanaticism.

Otherwise, the remaining groups and small bands have withdrawn into the depths of the territory. Our antiterrorist unit is doing their part right now; special platoons are cleaning up the area, assisted by specially trained dogs, helicopters, and pushing them farther and farther from the urban centers and main communication lines. Further evidence that a large territory has been cleaned up is that we have opened many checkpoints and roads, stamped travel authorizations for the holiday of Assumption, so civilians too can move freely, because people have expressed great interest in spending this great Catholic holiday in this area.

110 Enemy Soldiers Buried

[Klisovic] We are interested to know what you found when you "combed" Mt. Promina. The Chetniks had been denying access to it to both European observers and UNPROFOR [UN Protection Force], and in the end to the UNCRO [UN Confidence Restoration Operation in Croatia].

[Cermak] Mt. Promina is a large area, but it has been completely "combed," although it was difficult ground. Mt. Promina is clear today, that is, there are no more Chetniks. They went to Kozjak and then toward Strmica.

[Klisovic] Do you have any information that in the area of the former Sector South a mass grave has been found, into which the Chetniks over these four years of war have been throwing killed and slaughtered Croats?

[Cermak] No, I have no information about that.

[Klisovic] What procedure did you undertake with the Chetniks who had been killed?

[Cermak] From the very first day, we buried them individually, according to all international conventions, precisely in order not to allow them to accuse us of committing some mass crimes. That means, we buried each one of them individually, and every person we managed to identify we buried in his place of residence.

[Klisovic] How many enemy soldiers were killed in the area of Knin, according to your knowledge?

[Cermak] We subjected a total number of 110 enemy soldiers and several civilians to criminal investigation and buried them. We made a list of all the killed members of enemy units, with their full names, all of them have been photographed and their fingerprints taken. All the data has been sent to the International Red Cross and humanitarian organizations that are searching for the missing. We have given the list of the dead to the refugees in the UNCRO camp, to European missions, and to others.

Serbs Were Afraid

[Klisovic] Do you have information on how many civilians are there at the moment in Knin?

[Cermak] We calculate that there are approximately 1,000 civilians here. A part of that number are those who stayed and who did not want to flee. There are also those who found shelter with UNCRO in their camp in Knin, who move round the town with authorizations, and the rest are the citizens of Knin who returned home in recent days. A group return to Knin, on a massive scale, is to be announced in the next few days. I think it is better that the displaced return bit by bit, in small numbers, so that there is no massive return in view of the fact that the sanitation of the ground has not yet finished, that there are many freezers full of rotten meat, that there are many rotten carcasses of domestic animals. It is better if the return flows at a slower speed than to rush. Certain quarters of Knin are slowly being plugged into the power grid, and generally speaking, the situation is improving day by day.

[Klisovic] According to your knowledge, how many Serbs are there in the UNCRO camp in Knin? How many of them wish to stay here, and how many of them want to leave Croatia? How many have been suspected of committing crimes? Different figures have been published in the last days. What are your figures?

[Cermak] The first piece of information we received was that there were 796 persons in the UNCRO camp. In the end it turned out that there were around 1,000 of them. They explained the difference in numbers by the fact that even after the liberation, Serbs who had been hiding in the cellars or in the nearby wood came to the UNCRO camp. Out of that 1,000 persons, 280 of them received authorization and returned to the town to live in their houses and apartments. Around 70 Serbs have received authorization but are waiting to gather information on the situation, to get in touch with their families and then to decide whether they will stay in the camp or not. To our knowledge, there are between 50 and 100 of them who want to obtain authorization and stay here in this area. All the others, who wish to leave the state of Croatia, can do so without problem. On the first day, we told UNCRO that they could take buses and, as far as we were concerned, those people had free passage to the border. The only thing they have to do is to give us the lists of those people. UNCRO is obviously disorganized and is not connected to their main office in Zagreb, so that they have no idea what to do with those people.

The Serbs in the camp had a wide area of movement before, but now they have pinned them together into a small circle and fenced them round with wire. I have found out that there are lice and intestinal diseases in the camp. All in all, there is a difficult humanitarian situation. When UNCRO synchronizes its activity with the main office in Zagreb, there will probably be convoys heading toward the border, carrying the Serbs who do not want to live in Croatia. From the first day I have had contacts with the Serbs in the camp, I also met with Yasushi Akashi. While talking to the Serbs I noticed that they were still scared. They had been misled; they did not know about President Franjo Tudjman's epistle. They thought that the Croatian Army would slaughter them. They have been surprised at our humanity, our way of treating them, at our helping them. We give them fruit for children, newspapers, cigarettes.... For all those who wanted it, we made it possible to visit their villages and hamlets to see the condition of their houses and property. We have had fair, humane relations toward them. Those who do not want to stay here, I wish farewell.

Criminals Will Be Put on Trial

[Klisovic] How many of them in the UNCRO camp cannot get the authorization to move freely and have been suspected of committing crimes?

[Cermak] First, we decided to organize informative talks for all the men between 18 and 60 years old. Then, we eased the procedure, we singled out only one group, against which charges have been brought of committing crimes against the state of Croatia, because of the armed rebellion. There are 30 of them, but we will most likely reduce that list as well, and single out only those who had sunk deep in crime, while all the others will be free to go.

[Klisovic] So, you treat in a humane way also those who are suspected of committing crimes?

[Cermak] If we have let more than 6,000 of them into Kordun and Banija, and there were most certainly more than 500-600 serious criminals from Mt. Petrova Gora, if they were granted passage through UNCRO, then I do not think we should make a problem over these 30 persons. Those who have committed serious crimes will be delivered to the judicial authorities and they will surely not go across the border.

[Klisovic] What is your comment on this magnificent victory of the Croatian Armed Forces and the liberation of the occupied area?

[Cermak] Today everybody says that "Operation Storm" lasted only three to four days. Indeed, "Operation Storm" lasted that long, but it had been prepared for eight months, perhaps even for a full year. "Operation Storm" was preceded by all those actions of capturing strategically important peaks of Mt. Dinara, which was brilliantly done by the boys from the HVO [Croatian Defense Council], but also our boys, from the 4th and the 7th [Guard] Brigade of the Croatian Army. "Operation Storm" was also preceded by the capture of the strategic positions in Lika, which was excellently done by Markac's special force. Those were the basic positions from which "Operation Storm" could start. This is the proof that the Croatian youth, such energy, such an army and the wish for one's own, integral state, can be stopped by no army, no matter how well armed, no matter how strong. There is no chance of anyone stopping the Army that we have today. Of course, the crucial factors were also the will and the wish to liberate our country, along with all the technical equipment that we had at our disposal.

The artillery was heavily in action. Talking to certain members of the Serb paramilitary units, we found out that there was total panic when our artillery was doing its part of the job, when this area received around 900 shells. An unorganized withdrawal started, and when they saw that the rear was running, those who were keeping the strategic positions started to follow, so that everybody took to their heels! There were those who wanted to stay, but they were not allowed to. They were forced to evacuate, crammed onto trucks, tractors. The propaganda had done its job there. I deeply believe that Martic was the first to leave Knin.

Enough Weapons for Another Five to Six Years of War!

[Klisovic] During the course of "combing" this area, you must have certainly found Chetnik arsenals. How much military equipment did you capture?

[Cermak] We found huge military depots of equipment and ammunition, both in the immediate vicinity of Knin and farther from it.

The weapons and ammunition depots that we found in the area of the former Sector South give evidence that the Chetniks were capable of waging war for another five to six years! They held immense quantities; the depots that had been equipped by the former JNA [Yugoslav People's Army], from small arms ammunition to large caliber, artillery pieces, rocket systems, air bombs, medical equipment.... There were all kinds of things. The largest depots we found were in the area of Knin.

Departure of Knin Serbs Banned

LD2808174595 Belgrade TANJUG in English 1734 GMT 28 Aug 95

[FBIS Transcribed Text] Zagreb, Aug 28 (TANJUG)—Croatian authorities continue banning the departure of Serbs who sought refuge in UN peacekeepers' barracks in Knin following Croatia's aggression on Krajina and who want to leave for the Federal Republic of Yugoslavia.

Croatian Army Commander in Knin General Ivan Cermak reiterated Monday that the group of about 600 Serbs would not be allowed to leave the barracks until they hand over to Croatian authorities 62 persons suspected of war crimes.

According to an agreement between the UN and Croatian authorities, the group was to leave for Yugoslavia last Saturday. It was also agreed that the requests for keeping alleged war criminals be substantiated, after which Croatian investigating bodies would be allowed to question the suspects, monitored by international observers.

Croatian authorities have however proved that they do not want to abide by this agreement and that they above all want to get their hands on the 62 Serbs while avoiding international control. In addition, Tudjman's regime could not care less for the serious condition of women, children, including babies, the sick and the old people in the barracks, who have been waiting to leave for over 20 days.

Helsinki Committee Chronicles Human Rights Abuses

LD2808154595 Belgrade TANJUG in English 1426 GMT 28 Aug 95

[FBIS Transcribed Text] Zagreb, Aug 28 (TANJUG)—Croats have torched or destroyed more than 4,000 Serb houses (75-80 percent) in Serb Krajina, in Knin and environs, the Croatian Helsinki Committee said in a report on Monday.

Croatian authorities say that 82 people have been killed in the area, while the Croatian Helsinki Committee has a list of 242 persons killed, 107 of them civilians, 156 soldiers and policemen, but none of them was identified.

The latest figures about the killings of civilians and systematic destruction and looting of Serb property in Krajina were released by Petar Mrkalj, Croatian Helsinki Committee executive director in an interview with the Split weekly FERAL TRIBUNE on Monday.

Mrkalj toured Knin and environs with representatives of the international Helsinki Federation for Human Rights (IHF).

Mrkalj said that the torching of Serb houses was no accident whatsoever and illustrated this by saying that Serb houses in Kistanje had been systematically torched one by one, before the local school and post office buildinigs were burned down.

He also said the same situation was in the villages of Kricka, Ivosevac, and Radicic and added that the UN force had information that most houses had been torched in the area of SRB [expansion not given] and more than 70 percent of them in the areas of Donji Lapac and Kaldrma.

The torching of serb houses was also reported in the areas of Slunj and in the villages of Trzic, Primislje, Cemernica, and Celemusnica outside Vrginmost.

The representatives of the IHF and the Croatian Helsinki Committee have been denied access to Vojnic, Vrginmost, and Topusko, but reports about the killings of Serbs there keep coming in.

The killed Serbs have been found on the Gracac-Otric and Gracac-Posta roads and in Zagar, Zagrovic, Komazeci, SRB, Suma near SRB, Biljan Gornji, Bruvno, Kovacic, Licko Petrovo Selo, Frikasic, Ivosevci, Udbina, Cista Mala, Kricke, Licki Cerovac, at the Serbian orthdox cemetery in Korenica, and in Knin.

Mrkalj said that all these and other data had been recorded by people who had collected bodies and that the Croatian Helsinki Committee had obtained all of these documented information from the UN Force Command in Zagreb.

Mrkalj also said that there were indications that a mass grave existed in the area of the Slunj Municipality and that at least 80 persons had been killed in the area of Glina.

These are civilians, mrkalj said, who have been killed in a shelling that took place while they were fleeing to the town of Dvor-on-the-Una. Part of them was killed by the Bosnian Muslim Army 5th corps that entered the area at the time of the attack.

Mrkalj said that there were also reports about the killing of at least 10 civilians in Veljun between the towns of Slunj and Karlovac. He also said that a body of an old man, decapitated and with both his arms cut off, had been uncovered in the village of Josevci near Glina and that the remains of at least four charred bodies had been found in a hayloft. He said the two of them had been identified as Cvijo Matijevic and his wife Desanka.

He said that a decaying body of a child had been sighted on the road in the vilage of Bijeli Klanac.

Despite all this and other reports, Croatian authorites, from Croatian President Franjo Tudjman and down to other officials, have persistently been denying that even a slightest "incident" had occurred during and after Croatia's attack on Serb Krajina.

SSS President on 'Crimes'

LD2808135095 Belgrade TANJUG in English 1118 GMT 28 Aug 95

[Report by Nikola Stanojevic]

[FBIS Transcribed Text] Zagreb, Aug 28 (TANJUG)—Even the scant reports coming from Krajina, from which over 250,000 Serbs fled following Croatia's aggression in early August, testify about widespread crimes that are being committed against the remaining Serbs. They do not speak only of the destruction and burning of Serb houses, for which a Croat official said "let them burn, that way we can be sure the Serbs will not return," but also of the murder of Serbs civilians.

President of the Independent Serb Party (SSS) in Croatia Dr Milorad Pupovac said that independent, nongovernmental, and international organisations, which have to maintain their dignity and which were present in the area throughout, should give a more realistic picture of what is happening even if some world politicians wish to hide the facts and speak of an allegedly purely professional action.

Nine people were massacred in the villaage of Zagrovic, one of whom was so badly mutilated that even its sex could not be determined. UN observers reported that 11 old people were killed from the home of the retarded near Topusko. European Union observers witnessed the killing of two people in a village on August 18, and the beating up of a third one after which his house was burnt down.

All these crimes are only a fraction of what is really happening since full information is hard to come by because the Croatian Army has banned access of UN and international humanitarian organisations to the Krajina area.

The Croatian regime claimed that crimes had "not" been committed, that there were no torchings or tearing down of Serb houses and, only when pressed by multiplying evidence, in the past few days admitted to "individual excesses."

It also insists that there had been no planned ethnic cleansing, even though some Croatian officials, when they though no one could hear them, expressed satisfation that the "Serb issue in Croatia has been settled," a commentator of the RIJEKA NOVI LIST remarked.

At the cermony marking the opening of the Zagreb-Split railway, Tudjman himself ironically said "the Serbs have left and goodbye to them," while at the same time speaking about the "call" addressed to Serbs to remain in Krajina.

The presence of Serbs in Croatia has had a tragic balance in the past years. Since 1990, over 300,000 Serbs left Croatia according to UN data, not including the 250,000 Serbs from Krajina. Krajina has been devastated, there are no Serbs left, and all traces of them are being destroyed, Pupovac said.

Pupovac also spoke about different methods of so-called quiet ethnic cleansing, or ways of expelling Serbs from Croatia, eviction from flats, sacking from jobs, pressure on children to go to Catholic religious classes, converting Serbs into Catholicism, and even killing of entire Serb families, all of which are fully documented.

The suffering of the Serbs during Croatia's aggression on Krajina and western Slavonia (early May) as well as the "quiet" ethnic clensing are all products of the same policy which aimed at finally resolving the Serb issue in Tudjman's state.

Milorad Pupovac said that "part of the ruling Croatian politicians were not for a moment ready to accept the settlement of the Serb issue by political means. Everything had been done to make life of the Serbs in Croatia unbearable and to set off the mechanism of force for the settlement of the Krajina issue."

"The result of such a militant policy is that Tudjman's regime has succeeded in doing what the fascist Croatia during World War Two failed to do: to drive out the Serb people from Krajina and other Serb ethnic territories," Pupovac said.

TV Crew Visits Krajina Sites

BR2908072795 Hilversum Nederland-3 Television Network in Dutch 2100 GMT 26 Aug 95

[Video report by Vincent Verwey and Hans van Genderen; from the "Nova" program]

[FBIS Translated Text] [Anchorwoman Maartje Van Weegen] Ethnic cleansing, war crimes: Acts which so far have been attributed primarily to the Serbs. After the reconquest of Krajina by the Croatian Army, the entire world held its breath. Everybody was wondering whether the Croats would behave themselves in the same bestial way. The worst was expected, but there was no evidence. Until today. Reporter Vincent Verwey and cameraman Hans van Genderen, who are working for the new program "Medialand," were the first who were allowed to go from Knin into a village where the Croats carried out a mass massacre among the population.

[Begin recording] [Verwey] Every day observers go into the country from their UN base in Knin to check whether the Croatian Army respects martial law and humanitarian principles. Over the last few weeks it has become increasingly clear that it does not. Every single house has been burnt down by the Croats. In the evening, we drive to the village of (?Kruvori), which is hidden deep in the mountains. A group of [Croatian] soldiers is said to have wreaked terrible havoc in this village only a few hours earlier. Most of its inhabitants were hiding in a little school building a few kilometers before the village. [video shows Verwey interviewing Serb citizens with the help of an interpreter]

[Unidentified elderly man] We have to go to a camp.

[Interpreter, in English] It was promised to them [words indistinct] to a camp. I do not know which kind of camp.

[Interpreter, addressing elderly man] You cannot go to a camp just like that. There are conditions.

[Elderly man] I do not know, but we are willing to go to such a camp, because we cannot stay here.

[Elderly woman] My name is Jova Pegic and I live here.

[Interpreter, addressing elderly man] Do you still have a house in the village?

[Elderly man] No, nothing, I have nothing left and I have nowhere to go. I cannot go to my house, I am sure that it has been burnt down, because I saw smoke over there. [points with his left arm to a spot]

[Verwey] A little bit further on the UN observers find a dead body [video shows unidentified persons checking a dead body in a field underneath some bushes], but the man had clearly been killed one week earlier. Then we reach the village. Everything is still burning [video shows village with totally destroyed houses, some of them still on fire] Women who stayed behind in the village are singing songs of lamentation.

[Unidentified singing woman] What do I owe all this suffering to? What is the sense of my life after all this?

[Verwey] A man shows us where the dead bodies are. [Video shows elderly man with flashlight showing the UN team into the ruins of a house]

[Elderly man] A man who had asthma used to live here. He was no longer able to talk, but he was murdered anyway. There is no light in here. [video shows flashlight shining on dead body lying on the ground]

[Verwey] Elderly people murdered cold-bloodedly.

[Interpreter, in English] That is his son-in-law. Look, his throat has simply been cut. [Video shows flashlight shining on the face of another dead body]

[A. Robberts, identified by screen caption as UN spokesman, in English] Well, this is a cool-blooded killing of what were clearly elderly civilian people in the village. The way in which they were killed, at close range and in one shot, and one man with his throat cut. We have to, I think, describe this as a war crime.

[Verwey] The Croats' standard reaction to this and other criminal acts is that fights are still going on with Serb terrorists hiding in the woods. So they say the Serbs are to blame. However, the UN commander in the Krajina thinks this is nonsense.

[A. Forand, identified by screen caption as UN brigadier general, in English] That certainly was not done by terrorists. They saw some Croatian soldiers in the immediate area and a lot of vehicles belonging to the Croatian forces, so that is certainly not the work of terrorists. Plus all the villages that have been burnt throughout the sector. It is still ongoing 20 days after the war has ceased completely. To me it is a form of ethnic cleansing. The killing, it is hard to see because we have not seen a crime committed in front of our eyes. All we can do is substantiate. But the fact that you burn whole villages, you burn the crop, you kill the animals: To me it is a form of ethnic cleansing, because people will not be able to come back and live in those places.

[Verwey] The 700 Serbs who are still staying in the UN camp do not dare to go out into the street. They cannot and do not want to go back to their houses. [end recording]

Army Violates Cease-Fire in Western Baranja

LD2808164895 Belgrade TANJUG in English 1621 GMT 28 Aug 95

[FBIS Transcribed Text] Vukovar, Aug. 28 (TANJUG)—Croatia's troops in the village of Nadr near Belisce opened small-arms fire on Serb positions in the area of the villages of Jagodnjak and Bolvan in western Baranja at around 2 a.m. local time Monday, the Vukovar-based Serb command said.

The Serb side did not respond to the Croatian provocations, consistently abiding by the cease-fire agreement which took effect on Saturday, Aug. 26, a military communique said. Croatia's forces violated the cease-fire agreement at around 9 p.m. local time Sunday, when they fired a mortar shell from the village of Jarmina on Serb positions at Ceric, after which the Croatian side sporadically opened fire also from small arms, the communique said.

300 Non-Serb Expellees Arrive From Banja Luka

LD2808121295 Zagreb Radio Croatia Network in Serbo-Croatian 1100 GMT 28 Aug 95

[Report by Vladimir Fajgl]

[FBIS Translated Excerpt] After a three-day suspension, the mass expulsion of Croats and other non-Serbs from the Banja Luka area and other areas in northwestern Bosnia resumed today. Around 300 people, women, children, and the elderly crossed the Sava River by barge from Srbac in Bosnia to Davor.

The Croatian Government's Office for Refugees and Displaced Persons has ensured that 500 Croats expelled from the Banja Luka area will find temporary accommodation today in the Sisak-Moslavina county and in temporary reception centers in Vojnic and Vrginmost. [passage omitted]

Daily Views Albanians' Letter to Clinton

AU2808185595 Skopje NOVA MAKEDONIJA in Macedonian 28 Aug 95 p 2

[Commentary by Nevenka Mitrevska: "Exposure 'at the Last Minute'"]

[FBIS Translated Text] Some strange and irrational things are happening to us again. Only two days after the official visit of Albanian Foreign Minister Serreqi to the Republic of Macedonia [The Former Yugoslav Republic of Macedonia—FYROM], came the publication of a letter to President Bill Clinton that was sent to him by the leaders of the political parties of the Albanian minority in Macedonia: the PDP [Party for Democratic Prosperity], the NDP [People's Democratic Party], and the PDPA [Party for Democratic Prosperity of Albanians]. President Clinton was asked to include the global question of the so-called Albanian issue (in Macedonia and in the rump Yugoslavia) in the present initiative for the solution of the crisis in the former Yugoslavia. Like many other similar messages from the same authors that were sent to various international addresses in the past, the latest one also contains extensive allegations against the authors' own state and against the majority Macedonian nation regarding various undemocratic violations and deprivations of the rights of the Albanian minority here. The only difference is that, now, these "allegations" are supported by new lies (let us not call them anything else) in an attempt to equate the position of the Albanian minority in Macedonia with that in the rump Yugoslavia, and in an attempt to involve the Republic of Macedonia in the "Yugo-package" from which it succeeded in detaching itself with great difficulty. All this was accompanied with open threats of war if Clinton does not show understanding and does not become engaged in a peaceful solution of the "Albanian question" in a global way. However, let us start from the beginning.

Let Clinton Decide

The signatories of the letter present themselves to the U.S. President as the leaders of the "Albanian political parties represented in the Assembly of the Former Yugoslav Republic of Macedonia." This term, together with the Greek euphemism of "Slav Macedonian," are the only terms that are used throughout the text to indicate the state they live in and the majority Macedonian nation in this state. It is not hard to realize the primary reasons for choosing this terminology: First, to stress that the state in which they live is "incomplete," and, therefore, that there are possibilities for foreign interventions; and second, to deny the existence of the Macedonian state as such and thus to deny this nation's right to its own national state. Both goals are intended to indicate to Clinton a "space" in which he could possibly become engaged in order to satisfy the demands presented to him by the leaders of the political parties of the Albanian minority in Macedonia.

These demands have not been stated explicitly, but they can be understood easily if one reads carefully the demands that are presented in different parts of the letter. The demand for a global solution of the "Albanian question in Kosovo, in FYROM, in Montenegro, and in Serbia" that is mentioned at the beginning of the letter is supported later on by (with the usual exaggeration) an alleged total number of 3 million members of the Albanian minority living on these territories, while at the end of the letter, by stressing that their initiative has been "humanly and totally adjusted," they ask for all "constituencies in the former Yugoslav federation" to be encompassed in the present U.S. attempts for a peaceful solution of the Yugoslav crisis. In other words, Clinton is asked to solve the "Albanian question" in one go (do they mean in one united territory?). If this does not suit him for any reason, the letter suggests another solution by examining the situation in the Republic of Macedonia, in which it says the "Slav-Macedonian side" is trying to renew a "one-nation Slav-Macedonian state," through rough discrimination against the "Albanian nation" that, according to the free estimate of the authors of the letter, "constitutes at least one third of the total population (official statistics say it is 22.9 percent)." The logical conclusion that Clinton should reach after the presentation of such "facts" is that a minimum fair and principled solution to the "Albanian question" in the Republic of Macedonia is to make the "Slav-Macedonian side" (not nation) and the "Albanian nation" equal as two constitutive entities that would later agree on the establishment of the state "whose formation is under way," as they say.

Positive Discrimination

[PDP leader] Abdulrrahman Haliti, [NDP President] Iljaz Halili, and [PDPA leader] Arben Dzaferi claim that the Albanian national minority in the Republic of Macedonia has been discriminated against in all areas of life—"political, educational, cultural, and so on" and that "these discriminations... can be a catalyst that will spread the flame of war over The Former Yugoslav Republic of Macedonia." The three leaders avoid saying, probably because it does not suit them, in what way the Albanians in Macedonia are discriminated against. They "are discriminated against" in such a way that they have representatives at all levels of authority, from the ministerial level down to the local level, although the results of the elections did not require the Alliance for Macedonia to give them this.

There is discrimination because members of the Albanian minority are being admitted rapidly into the army and the police in order to provide for their presence in all institutions of authority; because they have always had elementary and secondary education in the Albanian language, their own newspaper, publishing house, theater, and television and radio broadcasts, the duration of which were extended recently; because, in the autumn, two faculties at Skopje and Bitola Universities will start educating Albanian teaching staff; because Albanian university candidates have to show 20 percent less knowledge than the others; and because, in western Macedonia, the Albanians own most of the farms and private business premises in the towns.... We must agree with the leaders of the Albanian minority parties in Macedonia: There really is discrimination regarding the Albanians, but in an original, Macedonian style, which is called "positive discrimination" in political terminology and which is applied only to the Albanians and not to the other national minorities in the Macedonian state.

Angry With Tirana

It was not by accident that, at the beginning of this text, we linked the publication of the letter to Clinton with the recent official visit of Albanian Foreign Minister Alfred Serreqi to the Republic of Macedonia. It was a not a pure coincidence that the visit, which was agreed on a few months ago, took place at a time when the great state nationalism in the neighborhood is growing and when the whole region has been faced, like never before, with either approaching peace or a new, broader Balkan, and perhaps European, war. One or the other will happen depending on the behavior of, primarily, the sides that are directly involved, but also the behavior of all the other states in the region. The very act of the visit itself marks the determination of Macedonia and Albania for peace, for a readiness on both sides to put an end to the period of cool relations, and for a readiness to start a mutually beneficial cooperation and to regulate communications in a legal manner.

The visit was preceded by a period in which a careful analysis of the statements, diplomatic actions, and attitudes of official Tirana would reveal really tiny, but numerous nuances indicating a gradual abandonment of the (in the Balkans, all-too-present) dreams of great states and, in this context, the abandonment of hopes that the present fluid situation in the region and the unadaptable international community will reshape the state borders to stop the war in the former Yugoslavia and thus allow a global solution to the Albanian question. These changes could be felt in the stop that was put to the extensive anti-Macedonian propaganda in the Albanian state media regarding the so-called university in Tetovo; in the news that arrived from different areas that, instead of the previous unconditional assistance for the secessionist self-proclaimed authority in Kosovo, the Albanian leadership is pledging and is even looking for another country to mediate in the negotiations between Belgrade and Pristina; and in a new formula for the solution of the Albanian question through the integration of the Balkans into European political and security structures was mentioned on several occasions, that is the relativization of the existing and unchangeable interstate borders (which is, by the way, identical to the views of the Macedonian policy regarding the solution of the Macedonian national question). In the two days of talks between the top Macedonian leadership and Mr. Serreqi, as we discovered, these new—pragmatical and, in the real sense, pro-European—winds from Tirana were confirmed.

Of course, there was talk about the status of the Albanian minority in Macedonia, as well as of the Macedonian minority in Albania, and, in this context, it was emphasized that the interest of a state for its own minority is legal, but that it cannot be used as a pretext for interference in the internal affairs of other states; that the demands for the improvement of the status of one state's minority must be supported with a reciprocal promotion of the status of the minority of the other state; and that the size of a minority is not and cannot be a measurement for the level of rights that this minority will enjoy. Both sides also agreed on the signing of four out of a total of 14 interstate agreements that the Macedonian Government has offered so far and that are waiting for the approval of the Albanian Government....

In light of this important "step forward" in Macedonian-Albanian relations (as Serreqi himself described the outcome of the visit) and of the above changes in Tirana's policy, the letter to Clinton from the leaders of the political parties of the Albanian minority in Macedonia acquires a new, additional explanation and significance. It is no longer only an expression of dissatisfaction with the status of a national minority that the Albanians enjoy in Macedonia or a reflection of anger toward Serreqi, that is Tirana, because, in a way, they feel abandoned and betrayed in their dream for "all Albanians in one state." It is also their attempt "at the last minute" (as they evaluate the latest U.S. initiative) to do something on their own: On behalf of all Albanians, because we are stronger together, but excluding those in Greece, because they know that Clinton will not swallow that. They want—if necessary, even by using lies and threats—the Albanian question to be included among all the other questions that will be on the negotiating table for the solution of the Yugoslav crisis. Although, fortunately for the Albanians and for us, the Macedonians, their neighbors, it was not and is not a part of that crisis.

Article Assesses Albanian Minister's Visit

AU2808142895 Skopje PULS in Macedonian 25 Aug 95 pp 12-13

[Article by Mirce Tomovski: "Balkan Political Balance"]

[FBIS Translated Text] If we do not carefully "read" the visit to Macedonia [The Former Yugoslav Republic of Macedonia—FYROM] by Alfred Serreqi, the top man in Albanian diplomacy, we could classify it as being among the routine political contacts between two neighboring countries. Even its goals and content would not be clear, and, therefore, it would be assigned to the world of banalities. Described in formal diplomatic language, Serreqi visited Macedonia at the invitation of his Macedonian counterpart, Stevo Crvenkovski; there were extensive talks on bilateral and international cooperation; the outcome of the talks is positive—further promotion of Macedonian-Albanian relations in all spheres was agreed. Of course, on such occasions it is a must to exchange opinions on the ethnic Macedonians in Albania and ethnic Albanians in Macedonia.

Nevertheless, this visit does not fit the diplomatic stereotype in several aspects that were either mentioned in passing or notably marked. In a certain sense these express the political stage in which the two countries find themselves in their search for a civil society, democratic development, and economic stability. At the same time, this diplomatic contact illustrates the Balkan political paradigm, as well as the broader international situation.

So, Serreqi was received by the top leaders of the Macedonian establishment—Gligorov, Andov, Branko Crvenkovski. He was given an opportunity, as he had asked for, to talk to representatives of parliamentary groups. In his talks with the Albanian foreign minister, Prime Minister Crvenkovski extended an invitation to Albanian Prime Minister Aleksander Meksi to visit Macedonia. Generally speaking, these diplomatic contacts coincide with the U.S.-Russian plan, at least with what leaked of it, regarding the former Yugoslav territories, including the Bosnian conflict and the Serbo-Croat question, that is, the state and ethnic shifts, the migration of Serbs from Krajina to Kosovo, the announced changes in the political map of these areas and, certainly, the political and war tensions. On the other hand, Minister Serreqi will go to Athens only one week after his visit to Macedonia to talk with his Greek counterpart, Papoulias. This summer, his visit was the second by an Albanian representative to Macedonia in a month, after the visit by Eduard Selami and his delegation from the Albanian parliament.

This concentration of circumstances and the well-known Balkan manners leave aside the general issues in Macedonian-Albanian diplomacy. Skilled in this kind of speech, at least while talking to journalists, Serreqi avoided the trap of the Balkan-Byzantine code: When two persons meet, they either make plans about a third person, or act against him. Speaking about Macedonian-Albanian relations, Serreqi said that "they need not be at the expense of another." At the same time, he expressed his belief that the "promotion of the Albanian-Greek relations could help solve the problems between Macedonia and Greece." If this answer excludes the worn-out mediation of Albania, then the Balkan relations of connecting vessels remain. The stability of the Albanian-Greek bloc, if malice against a third party is excluded, becomes an important support for stability in the whole region. By contrast, the tectonics in the north have an "ally" in the fragility of the south—the Greek minority in Albania and the aspirations for the secession of Epir ("Omonia case"). This political ambience is "enriched" by the unrecognized Albanian minority in Greece and the presence of 300,000 new Albanian migrants recruited after the fall of Enver Hoxha's regime. Albania and Greece have opened a dialogue to balance the Balkan political equilibrium. An attempt is being made to balance the position of the Greeks in Albania with the enormous number of Albanian economic migrants. The Greeks are called on to show high European standards of political treatment, while the Albanian migrants are just looking for "a place under the sun" in Greece. If they are returned, they could threaten the regime and Sali Berisha's reforms, politically and socially.

Alfred Serreqi's visit obviously took place against the background of the settlement of refugees from Krajina in Kosovo. The former Yugoslav territories, and the Balkans, experience in different ways the exodus of nations and the tragedy and complexity in providing crossing channels. This is exactly what Serreqi said at a news conference in Ohrid: "We met at a critical moment in these territories." This was related to the developments concerning the Serbian ethnic balance in Kosovo, which were verbally attacked by Albania. Although not asked to do so, he praised the Macedonian reaction anyway, and even gave his own interpretation. The ethnic movements have undoubtedly become an element of risk in the south. The act of migration, however, is not the only elementary act. The focus is on the political games and bargains between the United States and the Russian centers of power, as well as on the gray area of their new Yaltas and Maltas that shake the principle on inviolability of borders. That is why from the Macedonian perspective on the latest developments in relation to Bosnia, Serbo-Croat relations are fixed on the point of keeping the borders as they are, ethnic movements as well.

On the other hand, Kosovo is undoubtedly one of the Balkans' biggest problems. Macedonia and Albania are in the vicinity, and while there are some similarities between them, there are also differences. Albania is respected for its wisdom in avoiding igniting conflict in Kosovo. Nevertheless, its current situation does not cause as much political apprehension as its future. Both extremes will breed unhappiness: the proposition for an integral solution of the Albanian question, or disregard for the reality in Kosovo, or its political integrity and subjectivity. Both options have to do with an integral approach toward the national question, which is outside reality here, in the complicated Balkans. Here neither maximalistic national demands nor ethnically pure states are possible, let alone the accomplishment of a national ideal at any cost. The attempt to achieve an integral solution of the Serbian and the Croat question, it has become evident, could not be accomplished even with war. Izetbegovic's Islamic state will probably end in its "coffee cup" edition. The Balkan deep south is even more complicated. That is why an integral solution for the Albanian nation, or another integral solution for the Macedonian question, do not have a chance, because any "integral" action in the national sphere touches the zones of other nations, states, countries.... Historical agreements on this subject in the Balkans have had tragic outcomes or some national processes were delayed; in Bosnia they brought the dirtiest and bloodiest war, and to insist on this will certainly "bring about" a repetition of Palestinian despair or generations of guerrilla warfare. With the latest events in and around Kosovo, Dobrica Cosic's old ideas for the division of Kosovo between Serbia and Albania have been renewed, and in this context, also of a part of western Macedonia that would be "given" to Albania. In spite of the lessons of history and the fall of nationalism, the aspirations for national ideals are endless. They are endless "to the point of absurdity," as Dusan Petricic, master of political caricature, said recently in a long interview for PULS. Of course, it is absurdity that leads to manipulation of the people and to war.

A regular issue in Macedonian-Albanian relations is the position of the Macedonian minority in Albania and of the Albanian in Macedonia. They have high political values for the internal situation in the two countries and for the broader political spheres, regardless of whether they are being settled or complicated. In the dialogue on these issues the Macedonian position is based on the position that minorities are an asset in the ethnic landscape with a long tradition. That is why support for them is sought in the development of democracy, the civil state, and respect for European standards.

In contacts at all levels, Serreqi reiterated the Albanian politicians' well-known formula regarding the position of ethnic Albanians in Macedonia. These words had simply had to be uttered, and that is that. Of course, his diplomatic skill and attractive vocabulary made them sound more original. His speech on the integrity of the ethnic Albanians in Macedonia even sounded fresh. However, the known political stereotype regarding the ethnic Albanians in Macedonia and all who arrive from Albania remains. It could be observed this time in parliament in Ismet Ramadani, who was also backed by Albanian Minister Alfred Serreqi. It is in dissatisfaction with the term "nationality," dissatisfaction because of the use of the languages of the nationalities, their participation in university education, in the state nomenclature....

At the news conference Serreqi denied that such conduct is "interference in Macedonia's domestic affairs." He believes that interest in the "Albanians in Macedonia" cannot be interpreted in that way. He also believes that the "status of the Albanians in Macedonia is a commitment of the Albanian side." It would be paranoid to doubt these thoughts. However, it is exactly in this thesis that interference can be detected. Everything that is beside, under, or outside this line, becomes a precondition for Macedonian-Albanian relations, and, therefore, all dissatisfaction has a direct impact on it. Actually, it is a strategy that links the level of the rights of the Albanians, certainly according to their "own" criteria, with the level of the relations with the state in which they live and whose citizens they are. This "noble care" is the foundation for the policy that advocates that Macedonia will have no prospects if it does not create adequate political conditions for the Albanians. In this sense even the problems that Albania has suffered for being the second to recognize Macedonia are pointed out. Albania calls it FYROM "when it is angry." On the other hand, while the members of other nations living in Albania are called a nationality, as is the case with the Albanians living in Greece, they insist on the term Albanian nation for the Albanians in Macedonia, with all the consequences this might entail, of course.

Albania's interest in the ethnic Albanians in Macedonia is legitimate, as a "natural" right and according to international law. Nevertheless, defending the style and behavior of Albanian policy is to burden its views on relations between Albania and Macedonia. The European variant is forced and it is insisted on democratic and civilization standards for the members of one's own minorities. In practice, however, for instance, not only the Macedonians, but also all the other minorities in Albania live below international standards. This was determined in the U.S. State Department's report on human rights for 1994. On the other hand, the Macedonian state is virtually denied the right to care for its own ethnic Albanian citizens. In this sense "advice" is given (on the election system, on local self-government, on education). Or, the latest example is the politicization of university education and the so-called Tetovo university. Although the Macedonian state proclaimed this as an act incompatible with the Constitution and the laws, one of the strongest reactions came from the ministry headed by Serreqi. The visit was just another occasion to hear Macedonia's actual view on these issues and on the position of ethnic Albanians who are citizens of Macedonia. The state is responsible for caring for them, as all other citizens, in the sphere of education, culture, and participation in state institutions.... It is true that this sphere has not been dealt with perfectly and that there are problems. That is why dialogues of this kind are necessary. They clear away illusions and delusions, either historically inherited or newly acquired. Perhaps it is in this sense that the best direction that was often stressed in the talks is development of democracy in one's own conditions and a civil society as a model for development of good relations among neighbors and for the solution of mutual problems. Perhaps this formula is the general point that is essential for the Balkan political balance.

Serbs Criticized for Sending Refugees to Kosovo

95P21001A Skopje FLAKA E VELLAZERIMIT in Albanian 17 Aug 95 p 3

[Unattributed article: "Report of the Party for Democratic Prosperity—The Installing of Serbs in Kosovo—A Serious Provocation Against a Peaceful Option"]

[FBIS Translated Text] Tetovo, 16 August—In connection with the placing of Serbian refugees from Krajina in Kosova, the Party for Democratic Prosperity [PDP in Macedonian, PPD in Albanian] issues a statement which says: "The installing of Serbs from Krajina in Kosovo as a part of the most militant strategy of the Greater Serbia state ideology is the most serious current provocation against a peaceful option for Albanians in Kosova and in the Balkans, and, at the same time, it is a provocation against the future of the Balkans and Europe. We see in these provocations the signs of efforts to move the interethnic conflict from Croatia and Bosnia. The resolution of this conflict is being carried out with the barbarous logic of force in the southern part of the Balkans, where Kosova holds the key to the stability of the region and to its instability. This new and accelerated colonization, which aims at weakening the homogeneous Albanian demographic presence, could result in the national-chauvinistic orientation of the Serbs towards the achievement of their stated goal in regard to the possible division of Kosova."

"The most recent developments of Serbian aggression for the purpose of colonizing Kosova should convince the international community that the national political movement of the Albanian people in Kosova for independence is based on the imperative that they be be protected from the age-old genocidal strategies and practices of Serbian national chauvinism and on the imperatives of justice. The Party believes that the political leadership in Kosova will overcome this provocation with political wisdom, protecting its option of peace and the road to the resolution of the political fate of Kosova by means of dialogue," the statement of the Party for Democratic Prosperity says.

Daily on UN, NATO Reaction to Shelling

WS2908131295 Warsaw ZYCIE WARSZAWY in Polish 29 Aug 95 p 1

[Commentary by Dorota Golebiewska: "Pity Only for the Landmarks"]

[FBIS Translated Text] On Sunday the Americans were still giving the Serbs a week to accept the new peace plan, threatening to launch a massive air raid if Holbrooke's mission failed. Today it seems that without the air raid the peace talks will not begin.

In an ultimatum, NATO entered an obligation to carry out a retaliatory bomb attack "in case of real or pending danger of attack" on one of the security zones that still exist in Bosnia and have UN guarantees. Sarajevo, despite what it may seem, continues to remain such a zone.

The massacre at the bazaar, crowded mainly by shopping women, and the later hospital attack was not met with any response from the UN or NATO. The guns of the Rapid Deployment Force remained silent. They protect only soldiers from the peacekeeping forces. A few hours after the tragedy, we learned that it will probably be impossible to establish who launched the attack.

The UN has been violently criticized over the last few weeks for the fact that its only response to the barbarianism in Bosnia are hollow words of outrage, appeals and threats nobody intends to fulfill. Despite that criticism, the EU proved incapable of action yet again. The first reaction that followed the massacre in Sarajevo was a threat issued to the Serbs, claiming that the bombardment of Dubrovnik is a war crime because the city is listed among the world's most valuable landmarks. The tragedy of Sarajevo is that its landmarks no longer exist and all that is left in the destroyed city are...people.

Restructuring of Presidential Chancellery Expected

WS2908142995 Warsaw ZYCIE WARSZAWY in Polish 29 Aug 95 p 2

[Article by Piotr Wysocki, "RAS," "CEG": "Promotions and Reshuffling at the Presidential Chancellery"]

[FBIS Translated Text] [Belweder] Minister Andrzej Zakrzewski has become the factual head of the president's administration. "Mieczyslaw Wachowski's accounts" are to be cleared at the Chancellery. The decision on who is to be Lech Walesa's new presidential spokesman is expected next week.

As of yesterday, Zakrzewski is a minister of state (thus far secretary of state). Andrzej Ananicz who is in charge of foreign affairs at the Chancellery was also promoted from undersecretary to secretary of state yesterday. These two nominations, according to ZYCIE WARSZAWY sources, are a harbinger of changes to come in adapting the Chancellery to the needs of the upcoming presidential elections.

The Chancellery is to be divided into four sectors. Minister Zakrzewski's team is to be in charge of current political services. This team recently took over the press and foreign affairs offices as well as the president's cabinet, thus making Zakrzewski the factual head of the presidential administration.

Legal issues are to be overseen by Minister Andrzej Marcinkowski, while Lech Walesa's cabinet is to be headed by a regular Chancellery officer ranked as cabinet director (one of the ZYCIE WARSZAWY sources claims, however, that the president's cabinet is to be headed by Anna Radziwill, deputy minister of education in Tadeusz Mazowiecki's government).

Administrative and financial issues in the Chancellery are to be supervised by Stanislaw Iwanicki.

ZYCIE WARSZAWY sources say that the reform of the Chancellery was designed to bring Lech Walesa out of the isolation which—as not only parliament members but also employees of the Presidential Palace now say—is due to Mieczyslaw Wachowski's doings.

The decision on who is to be the president's new spokesman will be probably announced early next week. Various ZYCIE WARSZAWY sources differ in opinions on the probability of the dismissal of Tomasz Kwiatkowski, the former head of the Chancellery.

A review of the files and financial reports of Wachowski's cabinet began yesterday. The president stated that Wachowski's dismissal should be viewed as "a result of the current political situation." He referred to the former head of his cabinet as "a friend who deserves a holiday but whose skills may be used in the future."

Dailies, Politicians Comment on Wachowski's Fate

WS2808151395

[FBIS Editorial Report] During the weekend of 26-27 August, Polish national newspapers carried many editorial commentaries, as well as comments from politicians, on the recent dismissal of Presidential Office Head Mieczyslaw Wachowski.

The 27 August issue of ZYCIE WARSZAWY in Polish carried a 900-word commentary by Piotr Zaremba entitled "The Sultan and the Vizier." The author terms the dismissal of Mieczyslaw Wachowski a "long-awaited" one. He points out that "it is impossible to show even one serious political idea which was worked out or implemented by Wachowski of his own accord." According to Zaremba, voters "should weigh their pros and cons regardless of whether Wachowski is or is not in the Presidential Palace—all the more so because there is no reason why Wachowski should not come back to the president at any moment. This has probably hit home in the Christian-National Union [ZChN], which decided to ignore Walesa's signal and to endorse the candidacy of Hanna Gronkiewicz-Waltz."

In a short, untitled, 50-word commentary in NOWA EUROPA in Polish, dated 26-27 August, Adam Soful points out that "it is difficult to believe that after five years the president suddenly saw that his closest aide is incompetent. Therefore, Walesa most probably wants to boost his image before the elections. It is rather doubtful, however, whether this change of the 'last buffer' will help him achieve that."

The 26-27 August issue of RZECZPOSPOLITA in Polish carried a 350-word commentary by Kazimerz Groblewski entitled "A Difficult, Late Decision." Groblewski writes about the dismissal as "one of the most difficult decisions for Lech Walesa. He split with his closest aide and friend." However, he seems to go along with the decision and indicates that "Minister of State Wachowski did not work out any conception of Poland's geopolitics which he could call his own. This was bad. However, now it has turned out to be an advantage because it means that the dismissal of the informal deputy president will not be detrimental to Poland's interests at all." He adds that "even if at least half of the charges leveled at Wachowski were true, then it seems that he was recalled justifiably."

Groblewski sees an obvious relation between the recall and the presidential elections: "Wachowski's dismissal shows, first of all, that Lech Walesa has definitely decided to run in the presidential elections." He goes on to say, however, that Walesa "recalled Wachowski too late." He expresses doubts similar to those voiced by some politicians and asks the following question: "What if Walesa wins the election? Will Wachowski not come back then?"

Piotr Pacewicz recalls in his short 200-word commentary in GAZETA SWIATECZNA in Polish, dated 26-27 August, that Wachowski "did not represent any grouping, or at least any circle." Then he goes on to warn that "sometimes favorites take revenge, perhaps Wachowski will also tell journalists a tale or two."

Most of the politicians who commented on this issue pointed out that the decision was made too late; they also saw an obvious connection between the dismissal and the election campaign. Some of the commentary was published in TRYBUNA, dated 26-27 August, in a 650-word report entitled "Expected...Half a Year Earlier."

Jerzy Szmajdzinski, general secretary of the Social Democracy of the Polish Republic, told the paper that "Wachowski's dismissal is a fragment of the election campaign." He noticed that rightist parties which would like to back Walesa considered Wachowski an "obstacle." He added that "there were also people who believed that Wachowski was telling Walesa what to do. Today they can feel disappointed, because it is the president who is in charge, which he showed clearly by handing the dismissal in to Wachowski through Iwanicki." Freedom Union club Spokesman Andrzej Potocki also believes that this dismissal is just an "element of the preelection campaign."

Tomasz Nalecz, spokesman of the Union of Labor club, expressed the opinion that "even such a spectacular step as the dismissal of an unpopular politician cannot obscure the overall balance sheet of Walesa's term."

Janusz Dobrosz, spokesman of the Polish Peasant Party club, admitted that "if the decision had been made a year and a half ago, one might have gotten the impression that Walesa wanted to change the style of his Chancellery's work, of his own work and activity. Then it would have been positive."

ZChN Chairman Ryszard Czarnecki said that he believed that this dismissal, as well as earlier appointments of ZChN members to high posts, were "elements of the game to gain ZChN's support in the presidential elections."

The 26-27 August edition of RZECZPOSPOLITA also carried an 800-word report consisting of politicians comments on the issue in question, entitled "A Temporary or Permanent Separation?"

Former Presidential Spokesman Andrzej Drzycimski said that "there is reason to believe that the decision was made as a result of the conditions submitted by the persons or circles which might possibly join the president's campaign." He added, however, that "the dismissal means nothing. A recalled official can be appointed to a post in a different constellation."

According to UP Chairman Ryszard Bugaj, "Wachowski, recalled from the Chancellery post, might be highly unpleasant to the president." Therefore, he believes that "there is some sort of a deal between them."

Jacek Merkel, who was the head of Walesa's campaign staff in the previous elections, does not think that there ever was a problem of Wachowski because "Walesa is the best known politician in Poland and all of us have a clearly defined attitude toward him." He is not sure that Walesa and Wachowski have really split. He recalls that "in 1983 Wachowski stopped working with Walesa overnight, but then he resumed his work overnight as well."

Commentary: Walesa Becoming Alienated

WS2808143095 Warsaw ZYCIE WARSZAWY in Polish 28 Aug 95 p 1

[Commentary by Igor Zalewski: "The Loneliness of Robin Hood"]

[FBIS Translated Text] The Christian-National Union [ZChN], like a proper Christian party, defied temptation and did not support Lech Walesa, although the latter had been tempting it for the last several months. He showered the party with nominations. It now seems that these were not the best tactics. The ZChN leaders feared that by following the president they would no longer be considered an ideological group, but instead be labelled as politicians hungry for political payoffs.

ZChN also shirked the myth of the "good czar and his evil advisers" on the grounds that responsibility for Lech Walesa's controversial policies rests not with his confidant (even if it were Mieczyslaw Wachowski), but with Lech Walesa himself.

It has once again turned out that the president is a very lonely politician. His loneliness, however, might serve as a warning for others. We are currently witnessing the failure of the model of politics utilized by Walesa. He thought the parties which supported him in 1990 were a burden, that the banners under which he marched to victory could be rolled up and hidden in the closet. He thought the best allies of his presidency would be generals and heads of the secret services.

The five-year term, however, has passed very quickly and it currently turns out that these allies, although they do come in useful in exercising power, cannot guarantee Lech Walesa will be reelected. The president was destined to become alienated by practicing such policies. In a democracy, it pays off to be credible, faith ful to professed ideals and loyal to political partners. "The times of Robin Hoods are over," the president recently said. ZChN agreed and supported Hanna Gronkiewicz-Waltz.

Walesa Interviewed on Past Term, Election

BR2808145795 Brussels LE SOIR in French 26-27 Aug 95 p 2

[Interview with Polish President Lech Walesa by Pol Mathil in Warsaw; date not given: "Lech Walesa—His Projects and Ambitions"]

[FBIS Translated Excerpt] [Mathil] It is now five years since you were elected as the first president of democratic Poland. You are seeking a further term. Are you content with President Walesa's first term?

[Walesa] I would put the question rather differently: Did I set about discharging my responsibilities correctly? Essentially, I would answer in the affirmative.

[Mathil] But if you had the time again?

[Walesa] I would say that I would do 90 or 95 percent again. I want Poland to be a stable and contented country. That is not easy. I had the choice: Apply an authoritarian system, something like North Korea, or allow progress, once begun, to develop freely. I chose the second solution and I have no regrets.

[Mathil] But there are those with regrets. They believe that you were irreplaceable as a leader of a national liberation movement, but that you are not a good head of state. That in fact you should perhaps take a rest....

[Walesa] I am not tired. There is still a lot to do. We are now coming out of the period of dismantling the old system. I must now get down to the job of unification. [passage omitted]

[Mathil] It is said that you are so eager to be reelected that you are ready to take serious risks. In particular, there is talk of a "black" scenario whereby you would profit from more or less spontaneous workers' riots in order to declare a state of emergency and dissolve Parliament.

[Walesa] I would never play such a game, it is too dangerous. But, all the same, I would never hesitate to do what must be done to save the country....

[Mathil] But could we conceivably witness a demonstration of 100,000 angry workers, including many intent on violence, in the streets of Warsaw?

[Walesa] Yes, it is simply a question of organization. But I am against such a scenario, and I want everybody to know this. But if events threaten to slide out of control, I will then act as president; I am prepared for anything, I am not going to be taken unawares, I know my responsibilities, I fear God alone. Poland will be saved.

[Mathil] Are you ready to call in the Army?

[Walesa] The Army must stay out of politics. And in any event, there will be no need.

[Mathil] But is it conceivable that if events get out of control somebody, and there is talk of this, could give the order to fire on the demonstrators?

[Walesa] But what are you talking about? It is impossible. I am never going to allow Poles to fight among themselves. I repeat: I will save Poland.

[Mathil] But you did not succeed in saving Solidarity. You were the symbol of Solidarity, a movement which renounced violence when operating under a violent regime, but which today practices violence, as we saw in May, in a constitutional state. Why have you not stopped this rot?

[Walesa] I tried. After the victory over the dictatorship, Solidarity had to change and even split. Combat is one thing; work is another. They did not listen to me, and they did not understand me. But I hope that is in the past....

[Mathil] And the case of Father Jankowski who, in your presence, delivered a clearly anti-Semitic sermon, is that also in the past? According to some observers, the election campaign looks like leaving a lot to be desired in this respect....

[Walesa] I did not really hear what he said. But believe me when I tell you that Jankowski, who is my friend, is not anti-Semitic. His words no doubt lacked precision which made it easy to blow them up into something else....

[Mathil] When a Jewish cemetery was desecrated in France, President Mitterrand led a protest demonstration in Paris. But you chose to remain silent for 10 long days following Father Jankowski's sermon. Why?

[Walesa] Because the episcopate adopted a clearly critical position toward the content of the sermon, and I believed that was enough and that the matter was closed.

[Mathil] And when Solidarity takes to the streets of Warsaw calling for Foreign Minister Bartoszewski, one of the most well-known defenders of human rights and opponents of anti-Semitism, to be sent to the gas chamber, do you also think the matter should be closed?

[Walesa] That was an isolated incident. Those brandishing such slogans had no success at the elections. Whereas in France it is a quite different matter. I am a pragmatist: You must avoid blowing up certain matters, because that is when they start to assume significance.

[Mathil] It is now 15 years ago that you took over at the head of Solidarity and entered into history. Today, you see the attitude of Solidarity as ambiguous. Is it going to support you in this year's presidential elections?

[Walesa] You must ask Solidarity. But I believe it will back me. Who else would it support?

ZChN Chairman on Support for Gronkiewicz-Waltz

WS2808144995 Warsaw TRYBUNA in Polish 28 Aug 95 p 3

[Interview with Ryszard Czarnecki, chairman of the Christian-National Union, by Aleksander Frydrychowicz; place and date not given: "By Three Votes"]

[FBIS Translated Text] [Frydrychowicz] You chose Hanna Gronkiewicz-Waltz to be the presidential candidate of the Christian-National Union [ZChN]. Why the head of the National Bank of Poland [NBP] and not Lech Walesa?

[Czarnecki] We came to the conclusion that Ms. Gronkiewicz-Waltz has a better program and has a better chance of winning these elections. She enjoys far greater public approval and does not have many adversaries. Lech Walesa, whether rightly or not, has a large number of opponents. It may be unjust, but it diminishes his chances for electoral success.

One of the most important arguments for us was that Ms. Gronkiewicz-Waltz defends the interests of the state and the Catholic image of our country. She is more likely to succeed in constructing a modern coalition of a strong Polish right which will have greater chances of winning in the parliamentary elections.

[Frydrychowicz] Lech Walesa claims that Hanna Gronkiewicz-Waltz is supported by postcommunist banking circles. Do you not fear that?

[Czarnecki] ZChN is not a "postcommunist banking circle." We are the largest rightist party in Poland. Our candidate has demonstrated over the past few years that she is a professional and effective NBP president. The influence of postcommunists on the banking sector should not be demonized, although it is true that the old guard remains strong.

[Frydrychowicz] Over the last several months, President Lech Walesa appointed a large number of ZChN members to high state offices, for example Goryszewski [head of the National Security Office], Jurek [head of the National Radio and Television Council], Iwanicki [head of the Presidential Chancellery]. Are you not afraid that they will be dismissed in revenge just like Wachowski and Spalinski?

[Czarnecki] The state interests of Poland are more important for us than any appointments or dismissals.

The president is as fickle as the weather. What is most important for ZChN is to have a good president elected for Poland. I believe Ms. Gronkiewicz-Waltz is a good candidate in terms of the platform and the style of politics she represents. It is worth "risking" the posts currently occupied by ZChN members in President Walesa's administration for such a candidate.

[Frydrychowicz] In the vote held at the ZChN National Council assembly Hanna Gronkiewicz-Waltz won by three votes. Are you not afraid that this may lead the party to split?

[Czarnecki] Adenauer won the fight for the Chancellery in Germany by one vote. Similar cases occurred in the United States when the Congress elected the president, and there were no negative effects.

The party will not split. Today, the first briefing was held immediately after the vote with the participation of representatives of regions which had previously supported Walesa. Several of them declared their loyalty to the National Council and respect for the decisions it makes. They will now get involved in Hanna Gronkiewicz-Waltz's campaign. We are a large democratic party. We can therefore afford differences of opinion. After all, in the very beginning the Social Democracy of the Republic of Poland also could not decide whether to appoint Kwasniewski, Cimoszewicz or Oleksy.

[Frydrychowicz] Are you counting on the episcopate's blessing for the result of today's vote?

[Czarnecki] Many bishops awaited the results of our vote with anxiety. It will certainly be taken into consideration in an analysis of the complex current political situation.

The Church was not involved in the personal aspects of the elections five years ago and I do not think it will be involved this time, at least not before the first round. It does, however, voice its opinions on the criteria a presidential candidate should meet. Hanna Gronkiewicz-Waltz fulfills them 110 percent.

[Frydrychowicz] Thank you for the interview.

Campaign Committees Criticize TV Coverage

Accusation From Kuron Supporter

WS2908093995 Warsaw RZECZPOSPOLITA in Polish 26-27 Aug 95 p 2

[Article by M.D.Z.: "Karol Modzelewski Accuses Television; Like During Martial Law"]

[FBIS Translated Text] *Karol Modzelewski, chairman of the Social Committees in Support of Jacek Kuron's Candidacy, has accused Polish Television of changing its information function to the function of propaganda and of introducing internal censorship; he compared it to the censorship of the martial law era and of Maciej Szczepanski [Polish Television head under Edward Gierek]. He also charged the "Wiadomosci" newscast with spreading "black propaganda."*

Modzelewski is dissatisfied that "Wiadomosci" did not report on Kuron's and Onyszkiewicz's visit to Hungary and to the Czech Republic, as well as on the presidential candidate's meetings with the presidents of those countries.

"The Freedom Union and the Union of Labor, which prevented a change in the television leadership, take on the responsibility for the methods which public television's uses to inform and misinform the public," said Karol Modzelewski, who believes that if the leadership of the Polish Television had been changed, it was not at all certain whether Walendziak's people would not have been replaced by postcommunists.

"I know such methods of reporting information as those used in 'Wiadomosci'; they were used during the martial law regime; the information is on the borderline of truth and falsity. Now, when I watch that, I have a feeling of deja vu," said the chairman of Kuron's committees.

"Wiadomosci" Director Adam Pieczynski (to whom Jacek Kuron's Campaign Staff sent a letter protesting the fact that the journalists did not report on the candidate's visit to the Czech Republic and Hungary) rejects Modzelewski's charges. "I get the impression that Mr. Modzelewski, who recalls the times of martial law and Maciej Szczepanski, suffers from amnesia. There is no censorship in television," Pieczynski assures. According to the "Wiadomosci" director, his program will report on meetings between candidates and heads of states, but only if those meetings end in some specific and significant decisions, and not if they are simply important to the candidates themselves. "If we included reports on meetings held by Jacek Kuron, we would face charges from other candidates that we are favoring him," Adam Pieczynski fears.

Complaints From Kwasniewski Backers

WS2908124895 Warsaw GAZETA WYBORCZA in Polish 29 Aug 95 p 3

[Article by "AN, KNYSZ": "The SLD Candidate's Campaign Committee Criticizes, Polish Television Responds; Not Enough of Kwasniewski on Television"]

[FBIS Translated Text] "Television is persecuting Aleksander Kwasniewski and promoting rightist candidates," heads of the Democratic Left Alliance's [SLD] campaign committee charged public television yesterday.

"It is enough for Strzembosz or Gronkiewicz-Waltz to say anything at all and television buys it. There is always a camera at hand, 'Wiadomosci' [main newscast] always airs it," says Deputy Zbigniew Simiatkowski. He took the opportunity of accusing the president of the National Bank of Poland that "although she does travel only on free weekends, which does her credit," she uses a company Lancia and employs a driver and bodyguards for money from the budget.

Siemiatkowski claims television avoids reporting on Kwasniewski's campaign meetings so as to prevent showing the huge crowds of people who attend them. "I find it difficult to believe this is due to lack of professionalism on the part of the journalists. Such are rather directives issued by the heads of public television," charges Siemiatkowski.

Chief Editor of "Wiadomosci" Adam Pieczynski denies the allegations. "We would gladly show the enthusiastic crowds of Kwasniewski's supporters, but we do not have such footage." He denies anyone at "Wiadomosci" would want to censor reports on the SLD chairman's campaign. He claims some of the footage with Kwasniewski does not make it into the main edition at 1930 due to the fault of...the campaign committee. "I always plead with the campaign people to schedule events for at least two hours before the main edition, otherwise there is no possibility to make it by 1930," says Pieczynski. He also reminded that over the last weekend Kwasniewski opened all the editions of the newscast.

[Campaign committee head] Waniek informed that Kwasniewski has already visited 42 cities and covered approximately 10,000 km. His supporters have already collected some 200,000 signatures.

Russian Prosecutor's Request Involves Bank Laws

WS2908113695 Warsaw RZECZPOSPOLITA in Polish 28 Aug 95 pp 1, 13

[Article by Anna Marszalek: "Controversy Between the Prosecutor's Office and Bank Handlowy; Does Polish Law Protect the Money of Mafias From the East?"]

[FBIS Translated Text] *The Russian Prosecutor's Office is carrying out an investigation on the extortion of huge sums of money from various companies. The organized crime group behind the extortions has already netted at least 10 billion rubles in downpayments. On the basis of forged contracts signed with a fictitious company, it deposited millions of U.S. dollars to Polish bank accounts.*

Suspecting that money is laundered in Poland, Russia applied to us for legal aid. The Voivodship Prosecutor's Office in Warsaw asked three banks to disclose balance and cash-flow excerpts from accounts of companies owned by individuals who have been arrested in Russia. Amerbank and the IV Division of PKO SA conformed, the IV Division of Bank Handlowy refused.

The Prosecutor's General Office of the Russian Federation applied for legal aid in connection with penal proceedings instituted against V. Vasilyev, co-owner of companies that held accounts in the three aforesaid banks. Money was transferred to Amerbank and, allegedly, to the IV Division of Bank Handlowy on the basis of fictitious contracts signed with Kroex Limited and G and A Trade Ltd. Apart from V., Andrey K. was entitled to draw on the account.

Andrey K., who kept an account at the IV Division of PKO SA for a company called Bitexno Invest Limited, housed on the Isle of Man, withdrew over $21 million and took it abroad in the period between 10 January and 20 July 1994, $7.5 million of which was over a period of two weeks. He was allowed to take the money abroad on the basis of receipts issued by Amerbank and PKO SA.

Money was beyond doubt also withdrawn from Bank Handlowy. The Voivodship Prosecutor's Office asked the banks whether they keep accounts of these companies and demanded full balance sheets.

Amerbank and PKO complied (PKO even went as far as to confirm that the companies "laundered money"), while Bank Handlowy refused, claiming that "proceedings have been instituted against individuals, but the accounts are kept by companies."

The prosecutor's office finds the reply astounding as Polish legal regulations state that penal proceedings cannot be instituted against companies, meaning only individuals can be suspects—the company owner, his agent, etc. Vasiliy V., the suspect in this case who is currently in Russia, is the co-owner of the company.

The head of the [Bank Handlowy] division maintained the refusal after having consulted the bank headquarters, claiming that "information on turnover and deposits on bank accounts may be disclosed to the prosecutor's office under very specific circumstances: for instance if penal proceedings are instituted against a natural person who is the owner of the account, or if penal proceedings are instituted against the operations of the company in the name of which the account is kept, providing the prosecutor's demand pertains to the balance and turnover on accounts kept by legal persons when investigations are instituted against a natural person."

"Such an interpretation of Article 48 of the Banking Law protects individuals who use accounts opened in the name of their companies to transfer money extorted from various sources," claims the prosecutor's office.

The Voivodship Prosecutor's Office in Warsaw appealed to the General Banking Audit Inspectorate [GINB]. Chief Inspector Ewa Sleszynska-Charewicz refused to give a straight answer, stating only that an inspection of operations carried out by the company shows that money was often paid out to the holder of the account. GINB shares Bank Handlowy's opinion on whether the bank should disclose information on the company amount. The possibility of having money paid out within the legal state banking system is very important to anyone who launders money.

The prosecutor's office claims that the interpretation adopted by GINB means that prosecution of laundering via companies would be possible only after it is proven that the money is laundered by the companies (not their owners). Providing sufficient evidence is impossible if the banks refuse to provide information—the circle closes.

For some time, the National Bank of Poland has been vociferous on the issue of money laundering, claiming that the prosecutor's office is not sufficiently involved in counteracting it and "holds back" information provided by banks. The prosecutor's office also states that the discussed case proves the exact opposite and that it is not singular. Banks interpret confidentiality provisions to their own advantage. It is unofficially said that we have become extremely attractive for companies from beyond the eastern borders which legalize money coming from criminal activities. Some say the sums are so significant for the Polish banks that if they were withdrawn the Polish banking sector would collapse or would at least suffer a shock.

Finance Ministry on NBP Balance Sheet

WS2908132195 Warsaw NOWA EUROPA in Polish 26-27 Aug 95 p 1

[Article by Przemyslaw Szubanski: "Finance Ministry Dissatisfied With NBP Balance Sheet; Approved With a Bow"]

[FBIS Translated Excerpt] *The Finance Ministry believes that the balance sheet of the National Bank of Poland [NBP] for 1994, approved by the government this week, should be rejected, NOWA EUROPA has found out unofficially.*

According to our information, the credit for approving NBP's balance sheet should go to Prime Minister Jozef Oleksy and that it was his political bow of the head in the direction of NBP President Hanna Gronkiewicz-Waltz. Unofficial sources claim that the Finance Ministry is embittered by this decision. According to the ministry, there were no grounds for approving the document. The balance sheet of NBP for 1994 was drawn up in two versions. The first one, submitted in April, was not approved.

The government was more satisfied with the second, corrected version, submitted in August. However, as the resolution by the Council of Ministers reads, some of the recommendations made by the Commission for Examining the NBP Balance were not implemented; this goes for both last and this year's recommendations. Therefore, the government asked the NBP president to implement them. [passage omitted]

Melescanu Views Country's Role in Peace Process

AU2808175295 Bucharest ADEVARUL in Romanian 24 Aug 95 p 1

[Interview with Foreign Minister Teodor Melescanu by an unidentified ADEVARUL correspondent; place and date not given: "A Particularly Appropriate Time To Advance on the Path of Political Solutions"]

[FBIS Translated Text] Romania's Foreign Minister Teodor Melescanu paid a visit to Yugoslavia at the beginning of this week. He was kind enough to answer some of the questions that the daily ADEVARUL asked him.

[ADEVARUL] Mr. Minister, does Romania intend to play a role as harmonizer of the various peace initiatives for the former Yugoslavia, proposed by some countries that are members of the Contact Group and by various international bodies, or are you thinking of a "Balkan solution"?

[Melescanu] Indeed, recently, we have witnessed an intensification of efforts by the international community to find solutions to the conflict in the former Yugoslavia, through new initiatives or attempts to revive some older plans. I am thinking primarily of the initiative of the U.S. Administration, but also of the Contact Group's plans, the plans of the copresidents of the Geneva Conference, the initiative of the leadership of the Russian Federation, and others. Certainly, there are many common points among all those initiatives, and some differences in detail are mainly connected with the time when the respective initiatives were launched. There are also well-defined structures of the initiators who carry out the negotiations with the conflicting sides. Given this situation, I do not believe that it would be realistic to propose ourselves as harmonizers of the various variations, as I do not believe that the emergence of new initiatives would be productive, or even possible. What we can do, however, is make a contribution, through the very good relations that we have achieved with all sides involved in the conflict, to increasing the confidence between partners and accelerating the political process, which should acquire concrete shape as soon as possible, in the next 2 to 3 weeks, for a peace plan acceptable to everybody that would put an end to the conflict in Bosnia-Herzegovina and move the peace process forward on the entire area of the former Yugoslavia.

[ADEVARUL] After the meetings you held in Belgrade with President Slobodan Milosevic and with your counterpart Milan Milutinovic, what prospects do you envisage for the peaceful settlement of the Yugoslav conflict?

[Melescanu] The recent meetings that I had in Belgrade revealed at least two elements:

First of all, the leadership of the Federal Republic of Yugoslavia, as well as that of Serbia, is convinced that the only solution to the conflict is a political settlement. The interlocutors spoke out against any use of force involving military means. This is a viewpoint that we share completely, and it is well known that Romania spoke out from the very beginning for exclusively peaceful solutions to this serious conflict in the immediate vicinity of our country's borders.

Second, we have a feeling that the current moment seems particularly appropriate to advancing on the path of political solutions and that missing this opportunity would lead to an "overheating" of the situation in the areas of conflict, with unforeseeable and most difficult developments for the entire region. That is precisely why it is so important not to miss this opportunity and precisely why the new U.S. initiative—which seems to be the most dynamic political-diplomatic action on the issue—acquires a particular significance.

[ADEVARUL] Do the demarches of the Romanian Government in Belgrade have any connection with the meeting that you are going attend at the end of the week in Greece with your Greek and Bulgarian counterparts?

[Melescanu] I wished to go to Belgrade before this weekend's meeting in Greece precisely in order to learn what our neighbors think and thus be able to examine better the contribution that the countries that border on the space of the former Yugoslavia can make in the efforts of the international community to finding political solutions to the conflict.

Certainly, apart from making an "updated" analysis of the situation in the former Yugoslavia, we, together with my Bulgarian and Greek colleagues, also intend to approach the problems regarding the continuation of the embargo against the Federal Republic of Yugoslavia (Serbia and Montenegro), which greatly affects us too. I remind you of the fact that we, the three foreign ministers, together with our colleagues in Albania and the Republic of Moldova, recently approached the UN Security Council and the OSCE in Vienna regarding the issue of compensation for those countries that suffered great economic losses as a result of the introduction of the sanctions. We will also examine the courses of action that are available to us in this respect at the upcoming session of the UN General Assembly. The issue of compensation will remain open even in the happy situation that we all hope will be reached as soon as possible, namely that the sanctions will be suspended or lifted by the UN Security Council within a package plan of peaceful solutions to the Yugoslav crisis.

Peterle Fears Open Opposition to EU Membership

*AU2808183395 Vienna KURIER in German
28 Aug 95 p 3*

[Article by Margaretha Kopeinig: "The EU Jinni Has Left His Bottle"]

[FBIS Translated Excerpt] Lojze Peterle shows that he is well acquainted with the intricacies of political language. "We must take a more realistic view of the road leading to the EU," Peterle told DER KURIER.

The leader of Slovenia's Christian Democrats is considered a firm supporter of Slovenia's integration with the West. But he is worried about his country's increasing skepticism of the EU and the Slovene leadership's downright "open opposition" toward it. Peterle, who helped pave Slovenia's way to independence, fails to understand the attitude of his prime minister, Janez Drnovsek. "He says that there are alternatives to EU membership," says Peterle of Drnovsek. "He thinks EFTA [European Free Trade Association] or a treaty with the reformist countries is a good alternative to the EU." According to Peterle, Drnovsek is also planning to hold a referendum on the rights of EU citizens to acquire Slovene land. "Such a policy means playing with Slovenia's fate," he says.

Contrary to the anti-EU mood inside Slovenia itself, many EU politicians see the small country as an ideal candidate for membership. An EU official says: "We would be ready to negotiate with Slovenia straightaway, but first Ljubljana must tackle the obstacles to a European agreement."

In the meantime, these obstacles are developing into veritable barriers. The Slovene Government refuses to let EU citizens acquire Slovene land or to liberalize the laws on the acquisition of property. Yet this is a precondition set by Rome in order to conclude the European agreement.

Peterle wanted to resolve the problem with Italy last year by means of the "Acquileia Compromise," but Drnovsek overruled it. The former communists in Slovenia rejected the paper, which would have brought Slovenia a rapid association with the EU, as a "sellout of the homeland." Peterle, whose political principle is "reconciliation," could stand it no longer and resigned.

After this episode, EU moods sank in Slovenia. Whereas 80 percent of the Slovene population supported the EU in 1994, today the population is evenly divided into supporters and opponents. "With the EU phobia, the jinni was let out of the bottle, and it will be difficult to put it back," Peterle says. Now, Peterle, who is on close terms with many big people in the EU, fears for his country's credibility. Because of his country's zigzag EU course, he does not rule out the possibility that Brussels will place Slovenia on the same level as Croatia and postpone EU admission. [passage omitted]

Federal

Jovanovic: West Coresponsible for Krajina Aggression

AU2808124795 Berlin BERLINER ZEITUNG in German 23 Aug 95 p 6

[Interview with Yugoslav Deputy Foreign Minister Zivorin Jovanovic by Norbert Mappes-Niediek; place and date not given: "'The Serbs Must Not Be Demonized'"]

[FBIS Translated Text] [Mappes-Niediek] Are you still in contact with Zagreb?

[Jovanovic] Since Croatia's aggression against Krajina, consultations have been less frequent. But the contact continues.

[Mappes-Niediek] Is there a chance for the Serb refugees to return?

[Jovanovic] It is the task of the international community, especially the United Nations, to provide the conditions for a safe return. That is a humanitarian obligation that applies to all refugees, including those from Krajina.

[Mappes-Niediek] Croatian President Tudjman has expressly invited the Serbs to stay.

[Jovanovic] A combat force of 100,000-150,000 troops carried out a concentrated attack on Krajina, the aggression started with massive bombings of all bigger cities and towns, a great number of civilians have been killed, many war crimes committed. There was an atmosphere of violent pressure that made people leave their homes. That is the truth, not the invitation to return.

[Mappes-Niediek] Who apart from Croatia is to blame for the refugee tragedy?

[Jovanovic] Croatia has been arming systematically since 1991. It has had a clear strategy of annexing Krajina with military force, thus solving political problems by force. Some Western states and circles have signaled sympathy and support for this. They are coresponsible for the present aggression and its catastrophic humanitarian consequences.

[Mappes-Niediek] Why?

[Jovanovic] Several countries gave credits to Croatia, enabling it to modernize its armed forces. These credits amounted to billions of dollars. You also know who sends military advisers and generals to Croatia!

[Mappes-Niediek] What role did Germany play in the days before the Croatian offensive?

[Jovanovic] Public statements are one thing, actual policy another. According to their public statements, German representatives tried to stop President Tudjman from using military means. But it is difficult to believe that Germany as one of the countries that have the most influence on the Croatian regime should not have been able to prevent Croatia from using armed force.

We would like Germany to realize that it is not in the interest of the Balkans, the Croatian people, or Germany and Europe to support the Croatian regime unconditionally, to apply double standards, and to demonize the Serbs.

[Mappes-Niediek] Croatia has once again become involved in Bosnia. Is there a point at which you will say this touches the vital interests of Yugoslavia and we will get involved?

[Jovanovic] We are, of course, very alarmed. The Croatian aggression involves a big danger. It threatens the stability interests of all the nations in the Balkans, also in economic terms.

[Mappes-Niediek] But under what circumstances will you intervene?

[Jovanovic] This is not a time for hypothetical questions.

[Mappes-Niediek] Is Yugoslavia still able to protect the interests of Serbian minorities outside its borders?

[Jovanovic] Yes, this is possible without problems in Hungary and Romania. But the Serbs in the former Yugoslavia are not simply minorities. The old Yugoslavia was a state made up of various nations, and the Croatian Constitution also mentions the Serbs as being part of the state. We have never been opposed to the right of self- determination. But that also goes for the Serbs. One-sided secession has not done that any justice.

Serbia

DS Head: Karadzic, Mladic Should Agree or Resign

AU2908093995 Belgrade VECERNJE NOVOSTI in Serbo-Croatian 27 Aug 95 p 4

[Article by "M.N.": "Agreement or Resignations"]

[FBIS Translated Text] If the conflict between Karadzic and Mladic is about principles, and if the two of them are fighting about how best to solve the Serbian issue in the former Bosnia-Herzegovina, it is necessary for them to sit down as soon as possible and agree what the best course of action at the moment is, instead of arguing through the media as they have been doing lately and thus threatening the defense capability of the Serb Republic [RS]. It is not a terrible thing if they cannot agree on something, but they should be helped by the Assembly and other RS high state bodies.

This is what Democratic Party President Zoran Djindjic told the Radio Novi Pazar program "Always on Saturday." Djindjic moreover stressed that, if the conflict between Karadzic and Mladic is of a personal nature or if it is simply a struggle for power, both should immediately resign.

If Mladic were to take over by force, all those from the West who are now supposedly supporting him would immediately find a third person to depose Mladic. This would go on indefinitely, up until the moment when the RS would be completely destroyed. This, unfortunately, is something that certain people in Serbia do not understand, Djindjic said.

New Democracy Leader on Options for Krajina Serbs

AU2808152595 Belgrade NASA BORBA in Serbo-Croatian 25 Aug 95 p 4

[Article by B. Cani: "Return With Autonomy or Preparations for a Long-Term War"]

[FBIS Translated Text] Belgrade—The Krajina Serbs have lost a battle, but they have not lost the war. The Krajina is simply a temporarily occupied area, while the Serbs from the region had to withdraw to save their lives, Rodoljub Draskovic, New Democracy vice president, said at yesterday's news conference.

Draskovic said that statements to the effect that the Serbs could have defended their territory were "inaccurate and pure manipulation." According to Draskovic, the reason for the Krajina tragedy is the poverty there (a hungry man cannot wage war) and the fact that old people and children remained to defend the Krajina, while the others got jobs in state-owned companies, opened their own businesses, and engaged in crime. "Those who drew the Krajina into the war have now left it in the lurch," Draskovic said.

What can be done at this point, Draskovic asked and said: The exiled population has to be accommodated, while the Serb people have to form a government in exile that would not be imposed by any single policy. [sentence as published] This government, Draskovic said, should do the following: It should negotiate with Croatia—with the international community as mediators—about the return of the exiled population; it should demand national, cultural, and spiritual autonomy for the Serbs in Croatia, and it should demand compensation for material damage. If Franjo Tudjman were to reject this option, Draskovic has another variant and that is "proclaiming the territory occupied by the Croatian fascist authorities; securing education, temporary employment, and the founding of a Republic of Serb Krajina budget in the Federal Republic of Yugoslavia [FRY], into which the temporarily employed would pay their social security contributions and taxes and thus secure funds for a long-term struggle and the forming of a professional army." "The first variant offers peace, the second preparations for a long-term war," Draskovic said and stressed that he was saying all this on his own behalf and not as the party vice president.

Draskovic sees the solution to the Bosnian problem in the coexistence of Serbs and Muslims who "differ only in religion." "Serbs and Muslims can live together, provided there is no third party—in this case Croatia, which, in peacetime, considers the Muslims to be second-rate citizens and tenants [najamnik], while, in wartime, they are the executioners of the Serbs. The solution lies in the reconciliation of the Serbs and Muslims. This can be done by the Serb and Muslim military authorities, who should isolate the civilian authorities and introduce a military administration," Draskovic maintains.

(?Congo Nadj), a member of the New Democracy Executive Committee, spoke on behalf of the party and said that the Z-4 plan represented a model for the solution of the Slavonian issue, provided a clause is added that would provide for an international community protectorate over the region for a period of five years. Rodoljub Draskovic said, on his own behalf, that confederal ties between the Serb Republic and the FRY would be fatal because Bosnia-Herzegovina must remain an integral state within AVNOJ [Anti-Fascist Council of National Liberation of Yugoslavia] borders. The other representatives said that New Democracy believes that the Contact Group plan and an international community protectorate over Slavonia for a five-year period should be accepted.

Minister Says Privatization Serbian Priority

LD2808122895 Belgrade TANJUG in English 1100 GMT 28 Aug 95

[FBIS Transcribed Text] Belgrade, Aug 28 (TANJUG)—Serbian Private Entrepreneurship Minister Radoje Djukic has told TANJUG that privatization of the Serbian economy is a priority that should be implemented using industrialized countries as a model.

Privatization is a complex process which takes time and cannot be carried out overnight, Djukic said. He said that if Serbia wanted to implement privatization process in a right and serious manner, it would take it 10-15 years to do so.

Considering the structure and scope of the Serbian economy in general, there is a big capital there which must in the best possible way be put in the function of Serbia's development and social and other progress, Djukic said.

He said that achievements made so far should not be disregarded.

Djukic said that figures available to him showed that privatization in Yugoslavia had come a long way and that capital, assets and active production potentials were privately-owned.

'The private sector accounts for more than 50 percent of the social product, while 90 percent of the total land is privately-owned and about half a million workers are employed in private companies,' Djukic said.

Insolvency of the banks, increased contributions and taxes and difficulties major economic systems are facing have this year affected the business of private companies although they are more mobile, active and efficient than the state-run ones, he said.

Of the total of about 200,000 private companies in Serbia, as many as 1,000 of them have stopped working and many investments were running behind schedule.

Djukic said that a construction of 700 production facilities worth two billion dinars (about 1.5 billion dollars) was currently underway in the private entrepreneurship and that more than 50 percent of these works had already been completed.

U.S. Peace Initiative's 'Decisive Stage' Viewed

LD2808162095 Belgrade TANJUG in English 1612 GMT 28 Aug 95

[Article by Zoran Jevdjovic]

[FBIS Transcribed Text] Belgrade, Aug. 28 (TANJUG)—The United States peace initiative for Bosnia-Herzegovina enters a decisive stage this week, after a month of intensive diplomatic efforts and a pause caused by the tragic death of three members of the U.S. negotiating team in a road accident near Sarajevo.

As early as Monday, and the latest on Tuesday, head of the U.S. negotiating team Richard Holbrooke will meet in Paris with Bosnian Muslim leader Alija Izetbegovic. The five-nation Contact Group for Bosnia-Herzegovina will meet in the French capital on Tuesday, after which the U.S. delegation will travel to Belgrade.

According to what Holbrooke said in a TV statement Sunday, a dramatic headway is expected in the peace process in the next week or two. If not, the conflict could escalate and lead to NATO's large-scale military engagement. It is quite clear from the experience to date, whose side the western military alliance would take. Holbrooke, himself, has already said the Bosnian Serbs were in his view the main obstacle to peace, which makes it obvious that the threat with the use of force for the purpose of imposing a settlement unequivocally pertains to Serbs.

What Washington is offering is practically a division of Bosnia-Herzegovina into two entities, with the Contact Group plan as a basis which to build on in the subsequent talks.

Under the U.S. proposal, Bosnia-Herzegovina would, however, remain an internationally recognized state in the form of a loose confederation in which each entity would pursue its own policy and would have its own administration on its own territory. The Serb entity would be able to set up with the Federal Republic of Yugoslavia the same kind of ties as the Muslim-Croat Federation with Croatia.

The main question presenting itself now is whether it is possible in the existing conditions to achieve a compromise which would enable an end to the fighting and would open prospects for a settlement.

The U.S. side says it takes as a starting point the need for the conflict in the Balkans to end as soon as possible, a conflict which has become a very unpleasant theme of major confrontations on the U.S. political stage. At the same time, the U.S. administration wants to score a point at the international level so as to secure an argument more for the upcoming bitter presidential election campaign.

European countries are in one way or another compelled to follow Washington's moves and wishes, regardless of their obvious disagreements with the U.S. over what needs to be done in the Balkans.

Yugoslavia's position remains unchanged. It proceeds from the need for the conflict to end as soon as possible, which is a global Serbian national interest, and from the need for a settlement to be reached through talks in which all warring sides would be treated as equals, which is a basic guarantee for Belgrade that an eventual agreement will be of a lasting nature.

Yugoslav authorities are doing everything to draw the attention of the Bosnian Serbs to the realistic possibilities and the need to acknowledge the realities in international relations, realities which decisively determine the future course of events.

Although it is not to be found in western analyses, Bosnian Muslims are obviously not satisfied with what has been offered. Muslim Army chief Rasim Delic, for instance, said on Sunday that there was only one course for the Muslims, the continuation of war. Is this the actual Muslim stand or just a maneuver prior to the decisive talks remains to be seen.

Be it as it may, the coming days are awaited with uncertainty because they will be decisive for the U.S. initiative and in general for a state of war or peace in Bosnia-Herzegovina.

Montenegro

Croatian-Bosnian Serb Cease-Fire Talks Canceled

AU2808173495 Paris AFP in English 1704 GMT 28 Aug 95

[FBIS Transcribed Text] Podgorica, Yugoslavia, Aug 28 (AFP)—Ceasefire talks between Bosnian Serbs and Croatians covering Dubrovnik were scrapped at the last minute Monday [28 August] after the Serb delegation arrived late, international observers told AFP.

They said Trebinje Mayor Bozidar Vucurevic arrived a few moments after the delegation from Dubrovnik had already left the border post of Debeli Brijeg, where the talks were due to take place.

The negotiations were aimed at agreeing a ceasefire so a water supply system for the town of Herceg Novi, just across in Montenegro, could be repaired after it was damaged in artillery exchanges between the warring sides.

Earlier sources at the European Union observer mission in Podgorica said the meeting had started Monday morning.

No new date has been set for another meeting.

Dubrovnik has been repeatedly shelled from Serb-held Trebinje, 20 kilometres (12 miles) inland from the southern Croatian port. About 10,000 Croatian troops were then despatched to the area with the stated aim of silencing the guns.

An earlier meeting between the two sides last Thursday was also scrapped.

Trebinje Mayor Bozidar Vucurevic said earlier the Bosnian Serbs were putting two conditions on a cease-fire: the Croatian Army withdraw from territory around Trebinje it has occupied since 1993, and Serbs be given access to the sea.

Kosovo

'Over 6,000' Serb Refugees Settled in Province

AU2808141895 Tirana TVSH Television Network in Albanian 1800 GMT 27 Aug 95

[Telephone report by Mehmet Haziri from Pristina]

[FBIS Translated Text] Although we do not have the latest information about the number of Serbian colonists from Croatia who have arrived in Kosova, one can see the increase in their number from the hotel balconies, where the new arrivals' clothes are hanging.

The Boxhur Hotel in the center of Prishtina [Pristina] presents such a view today. Several days ago it was turned into a camp for the colonists whom the occupying power is attempting to settle for good in the Albanian areas in Kosova.

On the basis of scattered reports in the Serbian press and the information that can be confirmed by the information commissions of the Democratic League of Kosova [LDK] and other associations in the field, the number of the Serb colonists settled in Kosova so far amounts to over 6,000. They have taken over the hotels and tourist locations and the halls of devastated Kosovar enterprises.

As a result of Belgrade's attempt to compensate for the Knin defeat in Kosova and realize its old colonialist plans, the situation in that part of the Albanian area is very tense and is frequently aggravated by the constant provocations of the Serbian army and police.

Confronted with this problem, at a meeting with the representatives of the LDK branches, Dr. Ibrahim Rugova, president of the Republic of Kosova, urgently called on the political and state subjects in Kosova to organize better in response to the situation created by the settlement of the Serbian colonists in Kosova so they can react depending on the situation. Belgrade's intention of colonizing Kosova with war refugees from Croatia has increasingly become the focus of the Western press and international diplomatic circles.

BULK RATE
U.S. POSTAGE
PAID
PERMIT NO. 352
MERRIFIELD, VA.

This is a U.S. Government publication produced by the Foreign Broadcast Information Service (FBIS). Its contents in no way represent the policies, views, or attitudes of the U.S. Government.

FBIS collects, translates, disseminates, and analyzes foreign open-source information on behalf of the U.S. Government. Its publications may contain copyrighted material. ***Copying and dissemination is prohibited without permission of the copyright owners.***

- — Bracketed indicators before the first sentence of each item describe the way in which the material was processed by FBIS.
- — Headlines and all bracketed explanatory notes are supplied by FBIS.
- — Personal and place names are rendered in accordance with the decisions of the U.S. Board on Geographic Names as adapted by FBIS. Unverified names in radio and television material appear in parentheses and are spelled phonetically; words and phrases in parentheses preceded by a question mark are unclear in the original and deduced from context.

SUBSCRIPTION INFORMATION

U.S. Government Customers

For a list of FBIS products, to subscribe to an FBIS publication, or to indicate a change of address contact:

FBIS
P.O. Box 2604
Washington, DC 20013-2604
Telephone: (202) 338-6735
FAX: (703) 733-6042

Non-Government Customers

Subscriptions are available from the National Technical Information Service:

NTIS
5285 Port Royal Road
Springfield, VA 22161
Telephone: (703) 487-4630
FAX: (703) 321-8547

New subscribers should expect a 30-day delay in receipt of the first issue.